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# THE FINANCIAL POST

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## The Nation's Business

**Britain's Bold Step**
**What Will Come of the P.G.E.**
**Mr. Dunning May Hold the Key**
**The Chanak Incident**
**Press Still Discusses Mr. King's Speech**

EVEN the conservative London Times is giving its hearty support to the British government's plan of tax relief for productive industries. Far-reaching and almost revolutionary as is the scheme, it is accepted by the Times not as an emergency measure, but as a permanent contribution to Britain's fiscal policy. The only complaint of The Times is that the plan is going to take a long time to work out. It will be fall before appointments can be made under the scheme.

The plan of the new rating bill is to give relief from 75 per cent. of the local tax rates to plants used for productive purposes, such as factories, transport services, agricultural properties, etc., but not public utilities and other monopolistic enterprises. In the case of productive properties only the portion used for a productive purpose is to be given relief. Obviously there is going to be much difficulty in defining the boundary between productive and non-productive enterprises.

What the local authorities lose in taxation is to be made up by grants from the treasury of the nation. These grants will cover more than the amount of the tax exemption extended to productive enterprises. There will be additional grants, largest where needed most and smallest in prosperous communities, to cover essential services that might be skimped because of the difficulty of raising funds.

The plan is striking in its originality and notable, at least, in the plans for its execution. It is one of Britain's boldest bids for a return to prosperity. It is asking every citizen, in the proportion that he contributes to the government revenues, to pay out of his pocket a bonus to industries that are in a position to help Britain back to prosperity. Theoretically the plan looks to be economically unsound; practically it gives promise of fulfilling much of the hope of its daring exponents.

* * *

WHAT is the secret in the mind of Hon. C. A. Dunning, federal minister of railways, now on his way to the coast? Or has he any secret?

These are questions whose answer may have considerable political significance in British Columbia as the provincial election draws near. Mr. Dunning is expected to reveal for the first time the details of the plan whereby the Canadian National Railways may take over control of the Pacific Great Eastern Railway.

Ever since Premier J. D. MacLean returned from Ottawa and decided to go to the country, he has been talking rather vaguely of a deal with Ottawa for disposal of the Pacific Great Eastern. He has declined to give any definite idea of the terms, but has expressed confidence that they will be satisfactory. This proposed deal has furnished him with the chief plank in his election platform, coupled with the promise that if the government fails to arrange a satisfactory proposition with the federal authorities it will go ahead on its own, extend the line northward from Quesnel to Prince George, and on into the Peace River, and southward from Squamish to Vancouver. These extensions will, of course, cost considerable—upwards of several millions— but the province has already spent some $50,000,000 on the road, and it has just about reached the conclusions that under the present conditions, with the line starting nowhere and ending nowhere, figuratively speaking, it will be impossible to make it pay. By extending the road into the Peace River it will become a feeder for the potential grain harvest of the north country, and by taking steel into Vancouver it will link up with the chief distributing centre of the coast.

* * *

ALL these negotiations appear to have hit an unfortunate snag in the hesitancy of the Alberta government to go ahead with its part of the deal. The British Columbia government hoped to be able to get rid of the P.G.E. by tying it up with some of the northern Alberta railways, so as to give the interests taking over the lines a worth-while system linking Edmonton as well as Vancouver, with the Peace River, which is expected to yield freight in enormous volume ultimately, in grain and other farm produce, timber and minerals. But the Alberta government is not entirely satisfied with the offer made for its railways by the Ottawa government.

It all comes down to a question of what Mr. Dunning will do when he reaches the coast. He has already publicly announced that British Columbia is going to get back its Peace River lands, with which the province wanted to bargain for the subsidization of the interests taking over the P.G.E., and it has been intimated pretty clearly that Ottawa is ready to relieve the province of the P.G.E. burden. But how? Perhaps the Canadian National will lease the line. That would relieve the province of interest charges if nothing else and might be a solution satisfactory to all concerned.

The provincial election has been set for July 18. The campaign is well under way. The Conservative opposition are saying unpleasant things about the uncertain features of the P.G.E. deal, and Premier MacLean is still in the embarrassing position of being unable to elucidate.

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QUEBEC CHRONICLE TELEGRAPH thinks that Mr. King has not been very clear in his successive statements on the Chanak

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# NEW COMPANY WILL CONTROL MANY DAIRIES

### A. E. Silverwood Forms Holding Corporation For Enterprises

### EXPANSION PLANNED

### Exchange of Preferred to be Proposed to More Than 2,500 Shareholders in Ontario

A Dominion charter has been obtained to control and ultimately to own the eighteen companies in the Silverwood chain of dairies and ice cream plants radiating from London, Ont., and which recently combined with the Carruthers dairy to buy the Willard milk plant in Toronto. Further expansion is planned.

The new company, to be known as Silverwoods Dairies, Ltd., has an authorized capital of $10,000,000 of preferred and 1,000,000 shares of no par value common. The preferred stock will be divided into series "A" and "B," one of which will be 7 per cent. cumulative and the other 6 per cent. cumulative. In all respects except dividends, each class of preferred ranks equally with the other. There will be $5,000,000 in each class.

**2,700 Own Shares**

There are upwards of 2,700 preferred shareholders in the various enterprises controlled by A. E. Silverwood. While control in each instance rests with Mr. Silverwood, the preferred shareholders also own common stock. Each company operates as a separate entity, sharing certain general supervisory expenses and paying certain selling charges for products such as butter, which are sold outside the territory served by the local organizations.

While the new holding company through common stock will control all of the eighteen enterprises, it is not proposed immediately to invite all of the preferred shareholders to exchange their stock for the 7 per cent. preferred of the new company. Some of the companies are new links in the chain, some are successors to farmers' companies formed under the co-operative law and one (the St. Catharines company, which owns the Point Abino creamery) has three years' accumulation of dividends on its 8 per cent preferred.

**Not Offered to all**

The Silverwood interests, in discussing the new organization, emphasize the point that no exchange of stock will be offered if the company concerned has not shown a capacity to earn profits over a reasonable term. Thus the shareholders in the newer links and the shareholders of the St. Catharines company will be required to wait until conditions are bettered or have signified their willingness to enter the holding company on a basis which will be satisfactory to the management.

All of the Silverwood companies have preferred stock outstanding which is entitled to an 8 per cent. cumulative dividend. In view of the record of the management and the probable greater success with a holding company, it is considered compatible with the trend of the times to propose the reduction of the dividend rate to 7 per cent.

**Added Marketability**

The inducement to sacrifice something in yield will be the added marketability of the preferred of the holding company. It is proposed to list both preferred and common on the Toronto stock exchange. At present, the preferred stock of the various companies has a purely local market, if any, although Mr. Silverwood personally has acquired substantial blocks of stock of some of the companies as shareholders found it expedient to liquidate.

The basis of exchange for those companies which are now on sound earning basis will be:

For every $80 par value of 8 per cent. preferred and one share of common in local companies, $80 par value of 7 per cent. preferred and one share of common in the holding company.

Par value of the preferred of the eighteen Silverwood companies is about $7,000,000. It is believed that the $5,000,000 of 7 per cent. preferred of the holding company will be sufficient to take care of the exchanges on the basis proposed and that the 6 per cent stock remaining in the treasury will take care of further expansion.

**Long in Foodstuffs Trade**

A. E. Silverwood, the head of the chain, has been in the foodstuffs business for many years and has been a prominent citizen of London during most of his business career. He originally was with the Flavelle company of Lindsay and later was a partner in a company which was affiliated with Gunns, Ltd.

The Silverwood ice-cream plant was established about fifteen years ago and grew rapidly, the products being distributed to St. Thomas, Chatham, Windsor and numerous other centres in southwestern

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# Cotton Operatives Out to Get Trade Lost to Americans

### Wholesalers Forcing Small Retailers to Buy Across Line

### MILLS ON HALF TIME

### Canadian Companies Now Taking Action to Establish New and Improved Marketing Methods

From Our Own Correspondent

MONTREAL. — Cotton textile companies in Canada are meeting severe competition from American imports and the majority have been forced to slow up plant operations on account of their inability to find a market for the output, which is accumulating in a rapid manner.

At present the various plants of the Dominion Textile Company are operating at 50 per cent. of capacity.

When it is considered that this company has to operate its plants at 80 per cent. of capacity in order to make both ends meet, the position of the other and smaller companies is more readily appreciated.

Dominion Textile on account of its large surplus and investments, is well able to meet bond interest and other charges from outside income, but the other companies are not in such a fortunate position.

**Better Marketing Needed**

Solution of the present difficulties appears to lie in the establishment of new and better distribution methods.

The current position is somewhat involved, centring around three points, namely, wholesalers, imports from the United Kingdom and imports from the United States.

From the beginning, the Canadian cotton textile manufacturers have marketed their output through wholesalers, although some of the larger retail distributors buy direct. The amount sold in the latter way is somewhat less than forty per cent.

The usual practice among wholesalers is to mark up prices from 25 to 30 per cent. over the manufacturer's selling price. Special customers, however, have been and are being given a special rate of 5 per cent. In this respect the wholesaler acts as a commission agent.

**Wholesaler's Spread Too High**

The present marketing troubles have arisen over the fact that the small retailer after paying the wholesaler 25 to 30 per cent. over the manufacturer's price in turn has to add 50 to 100 per cent. to the original cost in order to enable him to make a profit on the handling of the goods.

The large mail order houses, however, are able to undersell the small retailer in staple and fancy cotton lines to such an extent that he competes only with difficulty.

The small dealer has overcome this difficulty through the purchase of his supplies from American sources.

During the past fiscal year over 90,000,000 yards of cotton goods were imported into Canada, largely from the United States. Under the tariff and when imports are handled in a normal way through wholesalers, it is possible for the Canadian producers to undersell to the extent of 5 to 7 per cent. Imports in the past year, however, have been coming into Canada in two ways. first, through direct purchase by Canadian dealers from commission houses and, secondly, through American mail order houses.

**Buy From States**

In the first instance, commission houses in Buffalo, Detroit, Boston and New York have had agents in Canada taking orders for American staple and fancy cotton goods at a cost of approximately [illegible] per cent. over the manufacturer's price. No discrimination is made on the size of the order. In this way the small dealer in Ontario, Quebec and other parts within reasonable transportation distance of the New England mills are securing their needs at a cost substantially under that charged by Canadian wholesalers even after the payment of import duties.

Last year the large American mail-order houses of Marshall Fields and Sears-Roebuck sent agents through Ontario taking orders for cotton goods. Their prices were exceptionally low and a large volume of orders were secured.

This may seem far-fetched, but it is definitely known that the goods

(Continued on page 2, col. six)

## Holt, Renfrew & Co. Pays 3% on Common

Holt, Renfrew & Co. have inaugurated a dividend on the 10,000 shares of common stock at the rate of 3 per cent. per annum, or 75 cents quarterly. The first payment will be made on July 3 to shareholders of record June 28.

Holt, Renfrew have been experiencing better business in the last year or two, and the dividend on the common is not unexpected. Earnings on the common in the year ended January 31, 1928, were in excess of 18 per cent.

# ENG. ELECTRIC NEW COMMON PLANNED NOW

### Class A Stock Will Replace Preferred in Capital Reconstruction

Forthcoming capital reconstruction of English Electric Co., it is understood, will be along these lines:

New capitalization to consist of 40,000 shares of Class A common of no-par value and 40,000 shares of Class B common. At present, the capital consists of 20,000 shares of 8 per cent. cumulative preferred of $100 par value and 30,000 shares of common of no-par value.

The exchange which probably will be proposed will be 2 shares of Class A common and one-half share of Class B common for each share of existing preferred and all the present common to be exchanged on a share-for-share basis for the existing common.

**Dividend is Likely**

It is reported that the Class A common will be preferred as to dividends up to $4 the share, or 8 per cent. on the old basis, but the cumulative feature is abolished and the offering of half share of Class B apparently is in lieu thereof, and in compensation for loss of dividends, accruing for several years.

It is believed that the Class A stock will be placed on a $3 dividend basis so soon as the change is ratified. Class B shares participate in dividends after Class A has received $4 annually.

Profits in 1927 in excess of $100,000, current assets increased nearly $100,000 and volume orders on hand sufficient to insure record production for a good part of 1928—these are the chief features of the 1927 annual report of the English Electric Company of Canada.

Profit for the year, before depreciation, totalled $218,577, against $203,156 in 1926; and after depreciation there was earned some $178,577, or equal to nearly 10 per cent. on the preferred shares. Actually, 4 per cent. was paid, bringing total payments of preferred arrears up to December 31, 1923.

Regarding the capital reconstruction, announced for the first time in The Financial Post of March 23rd last, President R. A. Stinson says:

"Your directors have for some time had under consideration a scheme of re-arrangement of your company's capital structure; a definite plan to that end has now been completed which will be submitted to the shareholders at a meeting to be held at an early date. Notice of this meeting together with copy of the scheme of arrangement and proxy forms are being mailed to shareholders at once.

"Your directors, who are large holders of both classes of stock, unanimously approve of this scheme as being in the best interests of all shareholders and of the company. If you are unable to attend this meeting personally, it is requested that you mail your proxy promptly as it is the intention of the directors, if the proposed arrangement is adopted, to place the senior securities of the company on a dividend basis immediately thereafter."

The balance sheet of the company shows total assets of $3,267,825 against $3,145,749 at close of 1926. Current assets are up from $751,455 to $850,783; and profit and loss surplus forward is now $469,753 against $384,310 a year ago.

Orders on the books of the company for the current year ensure a large mass of profitable business. Some large contracts are already under way; and new business recently signed up indicates a record production in 1928.

## Dominion Gresham Assets Down 50%

Crown Trust has been named permanent liquidator of Dominion Gresham Insurance. At a meeting in Montreal Thursday it was said that capital is gone and that other assets are impaired 50 per cent. In addition, the company is faced with government writs which are claims for $2,200,000.

Toronto realty claims total $275,000. Crown Trust will be assisted by an advisory committee representing the various interests.

# NEW REGIME REAL BENEFIT FOR K. & S.

### Seiberling Boosts Output, Pays 5% of Gross as Rental

### MAY OUTGROW PLANT

### Exercise of Purchase Option Will Depend on Space Needs Next Few Years

The adoption of a vigorous sales and production policy by the new interests in K. & S. Tire & Rubber Goods Co. has brought about results fully up to expectations when the Seiberling Rubber Co. of Akron came into the picture a little over a year ago. Aggregate total output of K. & S. under Seiberling management exceeded $3,000,000 in the past twelve months; which is more than 25 per cent. greater output than in any previous year of K. & S. history. Production has been considerably speeded up, and present expectations are for an even greater percentage of increase during the next twelve months. The sales organization has been improved, and there are now more than 1,200 dealers representing Seiberling K. & S. throughout Canada. Advertising policy has been carried forward on a liberal basis, with the result that Seiberling of Canada products now have a wide Canadian market.

It will be recalled that early last year action was taken by the bondholders to protect their interests, and that arising out of the negotiations then carried on an agreement was entered into with the Seiberling Rubber Co. of Akron, to take over the management of the K. & S. for a period of three years, under an option to purchase all assets at the end of that period, if Seiberling so desired, at a fixed price. K. & S. was to be continued as the operating unit under the management of Seiberling, and the product was to be marketed entirely under Seiberling auspices. This has been done with good results to date, and the prospects are good for the development of very considerable business under the Seiberling aegis.

One of the terms of the contract inuring to the benefit of K. & S. bondholders called for the payment by Seiberling of 5 per cent. on the gross turnover. Under these terms it is understood that something like $150,000 has been placed to the credit of K. & S. on the single twelve-month turnover; and the prospects are good for a considerably greater amount being paid in the next twelve months.

**Plant Is Not Large**

Regarding the option to purchase the plant and assets of K. & S., it is a little early to say what the American company may eventually decide. It is, however, stated in certain circles that the likelihood of Seiberling exercising this option is more or less remote, inasmuch as the three-acre site owned by K. & S. provides for only limited expansion of the business; and with a large business connection such as the past year shows may be made during the term of managership, it is likely that Seiberling will be in the market for a large site rather than for the moderate plant available through the purchase of K. & S.

But, meanwhile, the K. & S. plant is not depreciating in value; it is, on the other hand, being brought up to date in every respect. The 5 per cent. on gross operations will likely pay to K. & S. well over $500,000 during the life of the contract; and bondholders and creditors will own a thoroughly modern plant and business at the end of the three-year term, as well as having received the half million dollars on percentage on operations.

Seiberling, on the other hand, will have fully established itself in Canada, and will be in a strong position to proceed with mass production, whether it decides to operate the K. & S. plant or other premises.

To date the market has little reflected the improved operations of K. & S. under the managership of C. A. Jones, Seiberling's nominee. Actually, until within the past few days, there has been a decline in the bid price of the 7 per cent. bonds, which rose from 70 at the year-end to 76½ to the middle of March and have since slumped back to 67. Actually, however, the security behind these bonds has been improved during the past year to a considerable amount, one of the tangible improvements in this respect being the $150,000 earned on the gross turnover in this period.

# HIGHER DIVIDEND ON 2ND CANNERS IS NOT EXPECTED

### No Action Likely This Year; Inventories Rapidly Lowering

An intimation in one of the daily newspapers that the dividend on the second preferred of Canadian Canners, Ltd., might be increased soon from 60 to 70 cents annually is characterized as premature by an official of the company who is largely responsible for the financial policy of the board. It is pointed out that the company at this season is not in a position to know what its pack will be or what the probable earnings will be in the current year and it is asserted that the question of dividends cannot reasonably be considered before the first quarter of next year.

Canadian Canners liquid position was never so good as at present, it is said by the same authority. Goods are moving rapidly from the warehouses and bank loans are all but wiped out. The aim of the directors is to build up the cash position so that normally there will be need for little credit from banking sources, except for short term loans investment securities. This position is being achieved more rapidly than was anticipated, it is stated.

In the prevailing weakness in the stock market, the three stocks of this company have behaved very well, the preferred selling at its usual level, while the convertible or second, preferred has receded two points to 19½ and the common to 18.

## Colony Award Presages Re-Entry British Bankers

From Our Own Correspondent

MONTREAL.—Despite the fact that virtually every piece of Canadian provincial financing of any size during recent years has been done in New York, a group of London banking houses bidding through a Canadian bank, obtained the $10,003,000 bond issue of the Government of Newfoundland in competition with an American group, which purchased the last issue. Lombard Street topped Wall Street's by more than $400,000. Whether this presages the re-entry of British interests in the Canadian field cannot be definitely answered, but in view of the wide spread between the two bids, it is evident that London was particularly anxious to obtain the bonds at this time.

# Newsprint to Have Dictator; Post's Lead is Being Followed by Big Canadian Companies

## *Prosperity in Newsprint*

**The negotiations under way in the newsprint industry leading perhaps to some betterment in a situation, which already has caused a serious market loss to many investors, are probably of more importance to Canada as a whole, than to those with a financial interest in the development of our forest assets.**

**The price-cutting and over-expansion in the industry have already seriously curtailed the purchasing power of the mills. Such a curtailment in purchasing power is of vital import to business generally, for by far our largest industry can not be unprosperous without seriously curtailing the prosperity in all lines of endeavor. More particularly, as the newsprint industry is not only the biggest industry in the Dominion, but it stands head and shoulders above its closest competitor for supremacy in the industrial picture.**

**And so it is to be hoped that the pourparlers now on foot will receive the hearty endorsement, not only of the leading men in the industry, but also of investors, business men, and the provincial governments from coast to coast.**

### Strong Interests Begin Pourparlers Leading to Stabilization

### INDEPENDENTS READY

### Negotiations Now Under Way with Larger Groups—Provincial Government in Accord with Efforts

From Our Own Correspondent

MONTREAL. — Constructive developments, leading perhaps to price stabilization are under way in the newsprint industry. Following the editorial in the last issue of The Financial Post, which forcibly pointed out the need of the appointment of a dictator to regulate the production of the Canadian mills and so save the industry from cut-throat competition, strong interests have approached virtually all of the producers with a view to achieving just such an end.

Several of the independent mills have already signified their willingness to co-operate with the other Canadian producers as a whole, and at the moment negotiations are under way with the larger groups such as the Sir Herbert Holt companies and Abitibi.

It is understood that the government of Quebec is in hearty sympathy with these efforts. The plans have been worked out cleverly. Along the lines indicated by The Post last week, it is suggested that the mills voluntarily operate under a dictator. The Financial Post suggested Frank P. Jones or Hubert Biermans for such a post. There will be no combine acting in restraint of trade.

**Mills Are Not Restrained**

Under the plan, the mills will be able to operate at any scale of capacity they deem wise, and will be able to sell at any price they consider proper. However, as the negotiations are as yet but in their preliminary stages, it is inexpedient at the moment to reveal the complete plans which are being worked out, as some publishers in the U.S., notably the anti - British William Randolph Hearst, would gladly do all in their power to thwart any move which would result in any benefit to the Canadian newsprint industry in particular and to the Dominion in general.

Newsprint prices at present are all below the nominal price of $65. At these prices, the Dominion of Canada is virtually giving away her valuable forest resources. The market action of the newsprint stocks indicates clearly that the shareholders have lost money by investing in the largest industry of the Dominion.

Because of the predominant part newsprint plays in the Canadian business picture, it is certain that if the shareholders of the individual companies have suffered a market loss on their holdings, the purchasing power of the industry must have also declined materially, with a resulting serious effect on business as a whole. Hence the attitude of the government of Quebec, which is willing to do all within its power to rectify the existing situation.

**The Future of Industry**

The basic point in the situation which would allow some correction of the present tendency toward price cutting is that as far as can be seen it is only a matter of time until the demand for newsprint in the U.S. again catches up with the capacity of the mills on this continent. For twenty-five years, the increase in the demand there has averaged about six or seven per cent. per annum. It seems highly improbable that the output of newsprint has reached the saturation point.

Moreover, both in Canada and the U.S., the forest resources are such as to allow the installation of relatively only a few more machines. Thus, if the industry can only successfully pass through the next year or perhaps two years, the outlook for its ultimate future is as satisfactory as ever.

# Decline in Stock Values Has Reached Its Limit, or Nearly So, Signs Say

### Even Newsprints May Have Approached Bottom for Time Being; But Further Disturbances Due to U. S. Conditions Would be no Surprise

Economic value of a short interest in the stock market has seldom been more convincingly demonstrated than in the last week or ten days in Toronto. With one or two exceptions other than stocks which also are listed on other exchanges, Toronto stocks have been difficult to dispose of. Few persons who are interested in the speculative side of investment are as yet ready to begin buying on a large scale. There was little selling short at higher prices so that there were few short sellers who have profited by covering at lower prices. The consequence is that the daily turnover on the floor of the Toronto stock exchange is hardly sufficient to pay the overhead expenses of a brokerage office engaged largely in trading in Toronto stocks.

The Montreal market has been somewhat more active. While the listed stocks in Montreal are fewer in number than in Toronto, trading normally is on a larger scale, and the floating supplies of stocks are infinitely greater, in the main, with the result that the market can be expected to establish a substantial short interest in times of high prices. It is not known to what extent there was a short interest in Montreal stocks prior to the present decline, but the opinion that newsprint stocks must decline was sufficiently widespread a few weeks ago to have induced some of the ordinarily astute operators to take a position on the short side of the market. Theirs must have been a profitable position.

At the moment, it is likely that the shorts in Canadian stocks have covered and now standing by. In other words, it is likely that the decline in Canadian stocks has about reached its limit. It may be a time to buy. Judging by recent standards and by trade conditions, there are many bargains. The doubtful factor, as usual, is the New York market.

In the last few days, the expert commentators on the New York market have been so busy saying "I told you so" that they have not got around to discussion of future probabilities. But here and there a less complaisant observer is noting that investors still have money, that money rates are likely to decline in July, that there is a fair average prosperity and a number of industries, notably the motor industry, report growing earnings and that the disturbances to commence and finance attendant on a presidential election are not likely to interfere seriously with the forward march of a nation of 130,000,000 consumers.

With the citizenry engaged in the quadrennial labor of choosing a president, with basic industry not quite so well fixed as to square with bullish optimism, and with the banking fraternity not yet convinced that speculation does not need to be curbed, undoubtedly there will be fluctuations in market values as arrived at in Wall Street. However, the question for the Canadian investor to determine is whether or not conditions across the border will prevent the Canadian markets from reflecting the progress that Canadian commerce and industry are making.

Let none deny that Canada is making progress commercially and industrially. Car loadings are higher; railway earnings are greater than last year. Pig iron production is up with steel and in such key industries as flour-milling and boots-and-shoes substantial gains are recorded.

In these circumstances, it is evident that investors in soundly financed, soundly managed Canadian companies in established industries have little to fear from the fluctuations which may cause temporary recessions in market values.

# Alcohol Stocks React on News of Price Cutting

### But 'Twill be Small Producers Who Will Lose Most in Price War That Has Developed in Trade

From Our Own Correspondent

MONTREAL.—Alcohol company stocks reacted this week on the news of price cutting. While Canadian Industrial Alcohol, Seagrams, and Gooderham & Worts-Walkers, fell off a point or two, shareholders in these companies did not exhibit signs of panic, believing that the management and strong cash position of their respective organizations would enable them to tide over the "war."

The brunt of the selling was in the smaller and newer companies, principally Commercial Alcohol. The blame for the breach of the "gentleman's agreement" has been laid at the door of the small fry. It is known that the majority of them are not in a position to withstand any long-drawn-out price war with the big producers, who are determined to bring about a show down.

**Commercial Drops Sharply**

With the wave of selling in Commercial Alcohol, which dropped from 28 last week to the early 20's, and then recovered part of the loss, reports were sent out that the company is now branching out into the refined product field and is maturing alcohol for potable spirits. At present Commercial Alcohol's earnings are derived from industrial alcohol, and as the statement on profits for the current year is expected to be unfavorable, the "bullish" news has been partially successful in holding up the stock.

In so far as the principal producers are concerned, there is little need to worry over the present situation. Walkers, Gooderham & Worts, Canadian Industrial Alcohol and Seagrams are well established, and have had time to soundly entrench themselves in the export market. They carry large stocks of matured alcohol, which enables them to carry on an uninterrupted export business, and even though profits from the sale of industrial alcohol should be lower for this year, it is fully expected that earnings from exports will offset any loss in the domestic field.

In the opinion of certain large consumers of commercial alcohol, the price war which has resulted in a reduction of nearly 25 per cent. in the price of the commodity, during the past couple of weeks, will not greatly affect the earning power of the larger distilling companies, though it may affect some of the smaller and newer distilleries.

While a certain percentage of the output of the larger distilleries is commercial alcohol, the greatest profit is obtained from the manufacture of beverages and alcohol by-products, upon which the ratio of profit is relatively fairly high, and a comparatively small part of distillery profits result from the sale of the commercial product.

Hence, the price reductions should not affect the profits of well-established distilleries to any great extent, as they are chiefly engaged in maturing of spirit for use in beverages and other products. On the other hand, some of the smaller distilleries may be fairly hard hit by the sweeping reductions, inasmuch as their product as yet is probably mainly raw alcohol insufficiently matured for beverage purposes. But such of these companies as are concerned mainly with maturing their product for eventual beverage manufacture will probably weather the storm all right, though the others whose main output is the commercial product will not come off so well.

Probably the largest consumers of commercial alcohol are the vinegar firms; and from the fact that distilleries are apparently unwilling to make long-delivery contracts at the cut prices now quoted, it can be, it is generally expected, that the price war will not be of long duration.

# *Stanford Profit is Cut by Chain Competition*

Somewhat disappointing results in the way of expected expansion of sales is stated to be the adverse influence resulting in the weakness of Stanford's shares. The company added two fine new stores to its chain of high-grade provision stores in Montreal late last year; and larger sales and profits were logically expected to ensue. Competition on the part of other chains has been particularly keen, with a resultant effect upon earnings from this source.

The company, however, is the owner of considerable valuable real estate, some of which is income producing, and earnings from this source are expected to augment what profits the provision business may show.

Stanford shares have receded from 24 last fall to 15 asked, with few trades.

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| Can. Coal | 5 | Nat. Utilities | 9 |
| Can. Dredge | 9 | Ont. Steel | 11 |
| Can. Found. | 11 | Pelissiers | 9 |
| Can. Hydro | 9 | Power Corp. | 9 |
| C. Ind. Alco | 9, 15 | Pressed Metals | 3 |
| Can. Mausol. | 9 | Reliance Gr. | 9 |
| C. Paperboard | 8 | Rolland Paper | 5 |
| Can. Vickers | 4 | Sarnia Bridge | 4 |
| Canners | 1 | Sawyer | 18 |
| Commerce Bldg. | 9 | Shawinigan | 9 |
| Crosse & B. | 5 | Silverwood's | 1 |
| Cuban Can. | 9 | Sleeman's | 2 |
| Dom. Bridge | 9 | Stanford's | 1 |
| Dom. Eng. | 11 | Stand. Reliance | 15 |
| Dryden | 9 | Stand. Royalties | 9 |
| East Koot. | 4 | Sterling Trust | 18 |
| Ham. Bridge | 9 | Tip Top | 9 |
| Holt-Renfrew | 1 | Toronto Finance | 4 |
| How. Smith | 9 | Vitomen Cereals | 9 |
| Hudson's Bay | 2 | Wpg. Electric | 9 |

**MINES**

| | | | |
|---|---|---|---|
| Arrod | 20 | Inter. Nickel | 17 |
| Barry | 18 | March Gold | 19 |
| Bidgood | 17 | Man. Basin | 20 |
| Bear Lake | 20 | Oro Grande | 20 |
| Cent. Man. | 20 | Premier | 17 |
| Caribou | 20 | Sud. Lode | 17 |
| Coxheath | 20 | Sud. Basin | 18 |
| Callinan | 20 | Tread. Yukon | 17 |
| Flin Flon | 20 | White Lake | 17 |
| Inter. Prov. | 19 | Wainwill | 17 |

**QUOTATIONS**

| | | | |
|---|---|---|---|
| Bonds | 14 | Mining | 26 |
| Listed | 14 | Unlisted | 14 |

**REGULAR DEPARTMENTS**

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| Business Review | 7 |
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| When Women Invest | 9 |
| Insurance | 12 |
| Banking | 13 |

# HUDSON'S BAY PROFIT GROWS IN LAST YEAR

## Both Major Departments Reflect Improvement in Canadian West

## STORES PAY BETTER

### Gain on Investment is 6 Per Cent. Compared with Only 2 Per Cent. in Year Ended May 31, 1927

Annual report of the governor and committee of the Hudson's Bay Company for the year ended May 31, 1928, shows a substantial improvement over the previous year in respect to profits on trading, and shows the company still to be in possession of some 2,717,000 acres of Western lands which are carried in the balance sheet at no cost.

Profit for the year is £438,295, compared with £398,553 the previous year. Some land reappears in the books where the purchasers failed to carry out their agreements, but the net receipts from this source are up from £117,581 to £120,490.

**Trading Profit Higher**

From the point of view of shareholders who have noted the great increase in the investment in department-store properties in Canadian cities in the last several years, the returns from the trading department are the most significant and gratifying. Where the company had only 2 per cent. return on its trading investment in 1927, the profit in the year ended May 31, 1928, appears to be in excess of 6 per cent. The figures are, respectively, £151,909 and £423,395.

Owing to the fact that the liabilities under the head of creditors and credit balances are not itemized as between the London and the Winnipeg head office, it is impossible to discover from the balance sheet exactly what is the investment in the trading department of the company in Canada. But assuming that the ratio of these funds is about the same as a year ago, it is computed that the investment in stores, steamers, etc., in Canada now is £6,802,000, compared with £6,779,656 a year ago. On this basis the profit on trading is 6.2 per cent. of the investment, compared with about 2 per cent. a year ago.

This profit of 6.2 per cent. on investment in trading is nearly 11 per cent. on the capital stock of £4,000,000.

**Stock Sells Higher**

The following table illustrates the course of the trading department of the company since 1919:

| | Invested in shops etc. | Net profits from trading | Per cent. earned on invest. |
|---|---|---|---|
| 1919 | £3,606,838 | £386,228 | 10½% |
| 1920 | 3,350,972 | 410,899 | 12% |
| 1921 | 4,231,607 | 110,328 | 2½% |
| 1922 | 3,975,849 | 320,667 | 8% |
| 1923 | 4,348,530 | 206,952 | 4½% |
| 1924 | 4,315,973 | 235,903 | 5½% |
| 1925 | 4,690,246 | 211,034 | 4½% |
| 1926 | 5,283,372 | 254,176 | 5% |
| 1927 | 6,779,656 | 151,910 | 2% |
| 1928 | *6,802,000 | 423,395 | 6¼% |

*Estimated.

The improvement in the trading department of the company has been reflected in the quotations on the ordinary stock, which is selling in London at about 133 shillings, compared with a low of 78 shillings in 1927. The record of the stock since 1918 is as follows:

Price Range of Ordinary Stock, London. Shillings (approx.)

| | | |
|---|---|---|
| 1918 | 183 | 140 |
| 1919 | 183 | 143 |
| 1920 | 182 | 105 |
| 1921 | 142 | 104 |
| 1922 | 172 | 110 |
| 1923 | 157 | 95 |
| 1924 | 125 | 100 |
| 1925 | 118 | 90 |
| 1926 | 125 | 76 |
| 1927 | 128 | 78 |
| 1928 | 133 | 97½ |

The dividend on the ordinary stock in the last year was 25 per cent., of which 10 per cent. was from land, therefore free of the British income tax. The 5 per cent. dividend on the cumulative preference stock is paid out of the trading profit. Following is the record of the ordinary stock for the last three years:

| | 1926 | 1927 | 1928 |
|---|---|---|---|
| Iss., ord. stk. | £1,000,000 | £1,500,000 | £2,000,000 |
| From trading | 200,000 | 150,000 | 300,000 |
| From land | 35,000 | 150,000 | 200,000 |
| (Free of income tax) | 235,000 | 300,000 | 500,000 |

**BARRISTER**

with seven years general and corporation practise would consider position with a financial, mining, commercial, mercantile or industrial company. Give name and particulars.

Box 140, The Financial Post, 153 University Ave, Toronto 2.

**Dominion Engineering Works, LIMITED**

DIVIDEND NOTICE

A Dividend of SEVENTY-FIVE CENTS (75c) per share has been declared on the No Par Value Shares of this Company, for the Quarter ending 30th June, 1928, payable 14th July, 1928, to Shareholders of record at the close of business on the 30th June, 1928.

By Order of the Board.

F. W. EVENS, Secretary.

Montreal, P.Q., 19th June, 1928.

PREFERRED DIVIDEND No. 4

**Diversified Standard Securities, Limited**

NOTICE is hereby given that a dividend of two per cent (2%) on the fully paid-up Preference Shares for the quarter ending June 30, 1928, and being at the rate of eight per cent (8%) per annum for the time so paid-up, for the current quarter has been declared payable July 2, 1928 to holders of record, June 30, 1928.

By order of the Board,

A. G. TIERNEY, Secretary.

Montreal, June 9, 1928.

**TENDERS WANTED FOR DEBENTURES OF THE TOWN OF SANDWICH**

Sealed tenders will be received by the Municipal Council of the Town of Sandwich, until 8 o'clock p.m., of Monday, the 25th day of June, 1928, for the purchase of the following debentures of the Town of Sandwich, namely:—

Debentures, term — 15 years, interest 5½% per annum, for water meters ........ $45,000.00

Debentures, term — 30 years, interest 5½% per annum, for sewer constructed as a Local Improvement ........ $61,927.35

Debentures, term — 20 years, interest 5½% per annum, for new street, constructed as a Local Improvement ........ $45,241.90

Address tenders to,

E. R. NORTH, Town Clerk, Sandwich, Ontario

**You can share in the earnings of 216 companies**

You can, through an investment of $25 or more in Federated Capital Corporation, share in the earnings of 216 of the largest and most prosperous companies in Canada and the United States.

American Tel. & Tel. Co.
Consolidated Gas of New York
Shawinigan Water & Power Co.
Canadian Pacific Ry. Co.
United States Steel Company
—and 211 others.

You can, from this investment, get unusual safety, a substantial and dependable income, and the opportunity to participate in the growth and prosperity of North America.

*Send coupon for full information*

**Williams, Partridge & Rapley Limited**

The Royal Bank Bldg., Montreal

Please send me, without obligation, full information about Federated Capital Corporation.

Name ..............................

Address ........................ P

## National Distillery Plant Operations Satisfactory

From Our Own Correspondent

MONTREAL.—According to official reports, the new Lachine plant of National Distilleries is operating up to expectations; quality and output are stated to be satisfactory.

Besides Scotch whiskey, some 3,500 gallons of American whiskey is being manufactured daily. To date some 1,200 barrels of whiskey have been put into storage to mature and between 85 and 90 barrels are being added to this stock per day.

The bottling plant is putting up about 150 cases of various whiskeys, daily. Sales are reported to be increasing steadily.

## Regal Bakeries Applies to Increase Capitalization

Regal Bakeries, Ltd., has made application to increase the authorized capitalization from $250,000 to $1,250,000.

Two more bakeries, one in Oshawa and one in Toronto, recently have been taken over and further expansion is planned, it is reported. With the acquisition of additional properties, the output of the company has grown 250 per cent. in the last eight months.

# CALCIUM ISSUE OF TERM NOTES

## General Calcium Extending Operations Over Wide Field

An offering of $100,000 7½ per cent. ten year term gold notes of the General Calcium Corporation Ltd., is being offered this week.

The company is at present engaged in the manufacture of certain calcium products; and the proceeds of the issue are to be utilized for extension of property and plant.

Particulars of the issue follow:

$100,000
General Calcium Corporation, Limited
7½ Per Cent. 10-Year Term Gold Notes

| Capital | Authorized | Issued |
|---|---|---|
| 7½% Ten Year Term Gold Notes | $100,000 | $100,000 |
| Common stock, (par value $1) | 300,000 shs. | |

**Company.**—At present manufacturing Climax Bug Killer and Fertilizer for large number of accounts; will extend plant and commence manufacturing of number of additional calcium compounds.

**Assets.**—35-acre deposit of calcium 15 miles north of Hamilton, timber limits, plant, machinery and inventories valued at $770,000 against liabilities of $21,650.

**Purpose of Issue.**—To extend operations.

**Offer.**—By W. H. Huston & Son, Ltd., of Toronto, at par, in denominations of $100 and $1,000, carrying a bonus of 10 per cent. common stock.

# SLEEMAN'S BREWERY OFFER SMALL BLOCK

## 10,000 Additional Shares at Premium of 50 Per Cent.

An additional issue of 10,000 shares of Sleeman's Spring Bank Brewery Co. is being offered this week.

Sleeman's Spring Bank Brewery was incorporated for the purpose of acquiring the Spring Bank Brewery, in operation at Guelph since 1850.

The buildings and plant have been completely remodelled, and output can be carried forward at 200 barrels per day.

Particulars of the issue follow:

10,000 Shares
Sleeman's Spring Bank Brewery Limited
(Par Value $10 per Share)

| Capital: | Authorized | Issued |
|---|---|---|
| Common stock | 50,000 shs. | 41,200 shs. |

**Company:** Incorporated to acquire the business of Spring Bank Brewery at Guelph, in operation for more than three-quarters of a century.

**Assets:** Include modern plant of 200-barrel a day capacity. Assets valued at $394,000.

**Earnings:** On basis of 200-barrel output, estimated at $150,000 year.

**Offer:** At $15.00 per share by the Nutario Securities Co. of Toronto.

## Mount Royal Assurance Nominate New Officers

From Our Own Correspondent

MONTREAL.—At a meeting of the board of directors of the Mount Royal Assurance Company, H. C. Bourne was elected a vice-president and appointed general manager thereof; Jos. Dagenais and J. A. Macdonald were appointed assistant managers and H. H. S. Fisk, secretary. All have been actively employed in the administration of the company's business for many years; Mr. Bourne as assistant general manager and secretary, Mr. Dagenais as office manager, Mr. Macdonald as inspector and Mr. Fisk as chief accountant.

# Nation's Commerce

## Brief Notes on the Canadian Chamber of Commerce Compiled from Official Sources

From Our Own Correspondent

MONTREAL.—An itinerary is now being arranged for W. M. Birks and W. McL. Clarke, president and secretary of the Canadian Chamber of Commerce, similar to that taken by the executive officers last year when they visited about 43 cities and came in contact with 104 boards and chambers.

* * *

Membership in the Chamber of Commerce has shown a steady increase since its inception a year ago. At the beginning of 1927 there were 78 members; at the time of the Vancouver convention 123, and at the end of May this year 167. The support of the various provinces is indicated hereunder:

| | | |
|---|---|---|
| British Columbia | 38 | Boards |
| Alberta | 24 | " |
| Saskatchewan | 12 | " |
| Manitoba | 7 | " |
| Ontario | 40 | " |
| Quebec | 19 | " |
| New Brunswick | 8 | " |
| Nova Scotia | 14 | " |
| P. E. Island | 5 | " |

* * *

The monthly publication of the Chamber of Commerce—The Commerce of the Nation—is meeting with a good reception. Circulation is now around the 3,000 mark and distribution is being made to the executive officers of the various Boards and Chambers, members of parliament, senators, exporters and importers, business men and others interested in the Chamber's work.

* * *

Corresponding secretaries have been appointed in the principal cities throughout Canada. Through their co-operation the executive office will be able to pass along to its members a vast amount of accurate information which will undoubtedly be of considerable assistance in fostering commerce.

## Eastern Dairies Subsidiary Acquires McEwen Milk Co.

From Our Own Correspondent

MONTREAL.—The Elmhurst Dairy Limited, a subsidiary of the Eastern Dairies, have acquired the McEwen Milk Company, Limited, of Montreal.

The business of the McEwen Milk Co., Ltd., will be carried on in the same premises, and by the same personnel as heretofore, and the high quality of their products will be maintained.

**Bumper Beet Crop**

Prospects in the beet growing area in the southern part of Alberta province indicate a bumper crop, the acreage this year being increased to the highest amount for any season. About 7,000 acres have been put into crop, while the previous highest was 6,000 acres.

# NEW COMPANY WILL CONTROL MANY DAIRIES

(Continued from page 1)

Ontario. Just after the company had enlarged its facilities at London, in 1922, a virtual doubling of express rates added seriously to the costs of distribution. For a time, Silverwoods distributed to such places as Chatham by motor truck. A Chatham manufacturer then offered to sell his plant and Silverwoods organized a local company which was able to distribute ice cream and such products in that territory at lower prices.

Windsor, St. Thomas, Elmira, Forest, Kitchener, Cargill and other places were added rather rapidly, each time, according to reliable information, the initiative coming from the local interest, sometimes a co-operative company.

**Favors Decentralization**

Mr. Silverwood is convinced that decentralization of manufacturing is an advantage in the ice cream business as it reduces distribution costs and enables each company to operate, when expedient, a retail milk business as well. The gathering of the various companies under a holding company will facilitate supervision and the operation of a central selling agency for the companies which have a surplus of butter, etc., to sell beyond the region covered by the local selling organization.

# LAUNDRY MERGER IS NOW EFFECTED

## Will Finance Through Issue of No Par Common Stock

From Our Own Correspondent

MONTREAL.—Reports of a big laundry merger, involving several of the leading power laundries in various centres throughout Canada, are substantiated by the recent formation of the Consolidated Laundries Corporation of Canada, with headquarters at Montreal.

Backed by a strong Canadian financial group, associated with prominent U. S. banking interests, it is understood the corporation will have an authorized capitalization of 100,000 shares of no par value common stock, with no funded debt or preferred shares ahead of the issue, which will be handled by Hamilton and Company. In addition to being an operating company, the firm will also act as a holding company for a number of established laundry concerns.

Forming the first link of what will eventually be a Dominion-wide chain, the new corporation, it is reported, has already negotiated for the purchase of one of Montreal's oldest established laundries, a company which has enjoyed a steadily increasing volume of business since its inception. A number of important changes are contemplated, including the laying aside of a substantial appropriation for advertising purposes.

Upon completion of the plans now under consideration, it is expected that Consolidated Laundries Corporation will occupy an important position in the laundry industry in Canada.

# DOM. ENGINEERING WORKS' DIVIDEND NOW ON $3 BASIS

## Dominion Bridge as Largest Shareholder Benefits from Change

From Our Own Correspondent

MONTREAL.—The declaration of a quarterly dividend of 75 cents, by the directors, on the capital stock of Dominion Engineering Works, is considered of more than passing importance. The annual rate is thus increased from $2.60 to $3.00 a share. The first dividend declared on the present stock was for the last quarter of 1927, and was 50 cents a share, or $2 a year.

This new development has been foreshadowed in the action of the stock on the curb market, the present level of 82 being some sixteen points above that at the beginning of the present month, and compares with a low of 52 on January 7.

In view of the fact that 62 per cent. of the stock of this company is owned by Dominion Bridge, shareholders of the latter concern are particularly pleased over this development. The additional dividend on Dominion Engineering Works would mean an income equivalent to about 75 cents a share for Dominion Bridge, or more than 28 per cent. of the present dividend on Bridge shares.

# COTTON OPERATIVES OUT TO GET TRADE LOST TO AMERICANS

(Continued from page 1)

so imported were laid down at their respective destinations at a cost from 12 to 15 per cent. under the price required to be asked by Canadian wholesalers for a similar line and quality.

The mail order houses naturally were not able to make a very large profit on the individual sale, but by securing volume and acting more or less as commission houses for the mills, they were able to secure a reasonable profit.

**American Situation Bad**

Furthermore the cotton textile situation in the United States is probably worse than in any other country. The majority of the New England producers are virtually bankrupt. Even with their low cost production and highly advantageous position in marketing their output, the southern mills, are in bad shape. Many would be only too willing to sell out if they could find a buyer. It is not surprising, therefore, that they are willing to go to any length in making price concessions in the marketing of their output, and the Canadian retailer is benefiting accordingly.

Imports from the United Kingdom, while imports, are not such a serious contender for Canadian trade as those from the United States. While the Canadian industry is protected by a small tariff the difference in labor wages is such as to practically neutralize this protection Canadian producers by keeping in daily touch with the English market, however, are able to shade their prices a fraction under those of the United Kingdom.

**Canadian Goods Misrepresented**

But the dealings of the wholesaler in this country with the English manufacturer, is another thorn in the side of the Canadian manufacturer. For example, one year the wholesaler will purchase marked goods from domestic producers. The following year he sends a sample to an English manufacturer asking him to quote on a similar line of goods. This is done and often the order is placed without giving Canadian manufacturer a chance to bid on the job. While cheaper, the goods imported frequently are of a poorer quality, the number of threads to the inch being less, etc.

Some wholesalers have distributed these imports to the retailer as made in Canada. Disatisfaction over the quality of the goods has been extremely harmful to the reputation of the Canadian-made goods.

Producers like Dominion Textile, Montreal Cottons, Canadian Cottons and others are not in a position to cope with this situation up to the present. The manufacturers have been and so far are dependent upon the wholesaler for the marketing of a large share of their output.

**Two Alternatives Open**

The manner in which they can meet the problem and also overcome competition from the American mail order and commission houses, is now under serious consideration by the Canadian companies. They are faced with two alternatives, either force the wholesalers to alter their relations or establish their own marketing organization.

At present none of the companies wants to take the lead in fighting the wholesalers. For years the wholesaler has been the accepted medium through which they have marketed their output. With the exception of a few large buyers to whom they sell direct, the textile manufacturers have a limited sales force.

To break away from the wholesalers would involve many difficulties and would necessitate the establishment either of a central selling agency, which might not prove satisfactory, or the setting up of individual sales forces and thereby eliminate the middleman and meet the American producers on an equal footing.

Establishment of their own marketing operations would undoubtedly have an appreciable effect on operations and earning power of the majority of cotton companies. A company like Dominion Textile is in a position to carry out such a programme without unduly impairing its position but such might not be the case with the other concerns, although the majority have followed very conservative bookkeeping and have built up quite large reserves.

First of all the renewal of confidence among small dealers and consumers in Canadian-made cotton goods appears to be a problem that can be more easily solved than by setting up independent marketing units. To this end it is understood that a co-operative effort may be made shortly. After confidence has been restored it will be an easier matter to determine a suitable method of handling American competition.

*NEW ISSUE*

**$5,500,000**

# Hammermill Paper Company

**6% Cumulative Preferred Stock**

DIVIDENDS EXEMPT FROM PRESENT NORMAL FEDERAL INCOME TAX, TAX EXEMPT IN PENNSYLVANIA

*Capitalization*

(After giving effect to retirement of outstanding 7% Preferred Stock and issue of 6% Preferred Stock herein offered)

| | To Be Authorized | To Be Outstanding |
|---|---|---|
| 6% Cumulative Preferred Stock (Par value $100 per share) | $8,000,000 | $5,500,000 |
| Common Stock (Par value $10 per share) | 200,000 shs. | 180,000 shs. |
| First Mortgage 6% Bonds, due 1930 and 1939 (authorized and issued $750,000, retired $213,500) outstanding $536,500. | | |

*The following information is summarized by Mr. Ernst R. Behrend, President of the Company, from his letter regarding this issue:*

***Business:*** Hammermill Paper Company, manufacturer of "Hammermill Bond," is one of the largest makers of fine writing and printing papers in the country. It owns and operates a complete modern scientifically controlled pulp and paper making plant located at Erie, Pennsylvania, and 204 square miles of virgin timber lands at Matane, Canada, which together constitute a complete paper making unit. At the time of its incorporation in 1899, the Company's production averaged twelve tons of paper daily; to-day the capacity of its mill is one hundred and sixty-five tons of paper a day.

***Earnings:*** Net earnings of the Company for the five years, 1923-1927, inclusive, after all charges including Federal income taxes actually paid and liberal provision for depreciation, as independently certified, averaged $962,035 a year, equivalent to 2.91 times the maximum annual dividend requirement on the Preferred Stock to be presently outstanding. Such net earnings for the year ended December 31, 1927, were $999,588, equal to more than three times the dividend requirement. Net earnings for the first four months of 1928 were approximately 20% more than earnings for the same period of 1927.

No deduction has been made from the foregoing earnings for the discontinuance of interest, averaging $53,472 a year in the last five years, earned on marketable securities which are being withdrawn from the business at this time, because, in the opinion of the management, this item will be counterbalanced by the return to the Company from the investment of $1,000,000 which it contemplates making in another mill in new territory.

***Assets:*** The audited balance sheet of the Company as of December 31, 1927, adjusted to give effect to the transactions incident to this financing, shows net tangible assets applicable to this issue of $11,907,482, equivalent to $216 per share of this Preferred Stock.

***Present Financing:*** Concurrently with the issue of the Preferred Stock herein offered, the Company will provide for the retirement of $2,500,000 Seven Per Cent. Cumulative Preferred Stock, the elimination of $1,500,000 of Good-Will heretofore shown on its balance sheet, the purchase of a substantial stock interest in another mill in new territory for $1,000,000 in cash, and the payment of a dividend on its common stock of $25 par amount of this Preferred Stock on each share of common stock outstanding. Only $1,000,000 principal amount of this issue represents new financing for the Company, the balance offered having been purchased from individuals.

As a result of this financing, the ownership of a substantial majority of the Common Stock will be consolidated in the hands of the active management.

*We offer $3,900,000 of this Preferred Stock (the balance of the issue being retained by stockholders) for delivery when, as and if issued and received by us and subject to stockholders' authorization of the issue and to approval of all legal proceedings by counsel.*

THE COMPANY HAS AGREED TO MAKE APPLICATION TO LIST THIS STOCK ON THE NEW YORK STOCK EXCHANGE

**Price $100 per share and accrued dividend**

*The 7% Cumulative Preferred Stock of the Hammermill Paper Company will be accepted in payment for this new issue at the redemption price of $110 per share and accrued dividend on a 5% discount basis to October 1, 1928.*

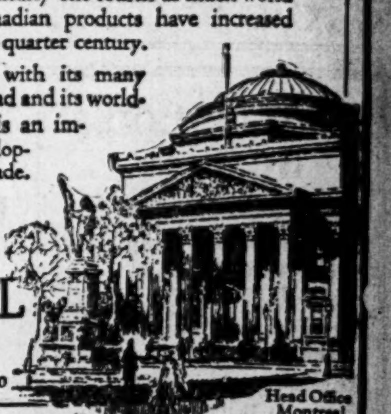
**A. G. Becker & Co.** **Spencer, Kamerer & Co.**
*Erie, Pa.*

All statements herein are official or are based on information which we regard as reliable, and, while we do not guarantee them, we ourselves have relied upon them in the purchase of this security.

**CANADA A GREAT TRADER**

CANADA occupies second place, per capita, in exports. With only one-twelfth the population of the United States, she does nearly one-fourth as much world trade. Exports of Canadian products have increased about fivefold in the last quarter century.

The Bank of Montreal, with its many branches at home and abroad and its world-wide banking connections, is an important factor in the development of Canada's foreign trade.

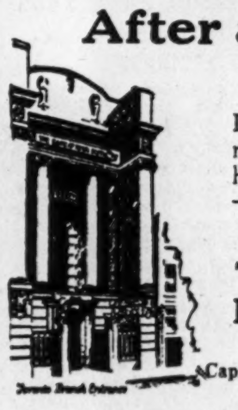


**BANK OF MONTREAL**
Established 1817

Total Assets in excess of $860,000,000

Head Office Montreal

**After all—Experience is Important**



If you have a financial or business problem, you may be sure that this Bank many times has helped its customers solve just such a problem —in its four generations of experience.

*This Bank solicits Business Accounts.*

**THE BANK OF NOVA SCOTIA**

Established 1832
Capital, $10,000,000. Reserves, $20,000,000.
Total Assets over $260,000,000.

**Five Excellent Bonds Yielding from 5.55% to 7.14%**

Any one or all of the following bonds may be confidently recommended to investors for quality of security, income yield and ready marketability:

Department of Cundinamarca, Colombia,
6½% bonds,
Due 1 November, 1959,
Price: 93.50 and interest,
Yielding 7.14%.

Great Lakes Paper Co. Limited,
6% First Mortgage bonds,
Due 1 March, 1950,
Price: 100 and interest,
Yielding 6%.

Great West Saddlery Co. Limited,
6% First Mortgage bonds,
Due 1 March, 1948,
Price: 100 and interest,
Yielding 6%.

Montreal Apartments, Limited,
5½% First Mortgage bonds,
Due 1 July, 1948,
Price: 97 and interest,
Yielding 5¾%.

Burns & Co. Limited,
5½% First Mortgage bonds,
Due 1 June, 1948,
Price: 99.50 and interest,
Yielding 5.55%.

We have special circulars on each of the above issues and will be pleased to send copies of them to interested enquirers.

**Bell, Gouinlock & Co.**

Phone ELgin 2236
67 Yonge St. Toronto

**THE ONTARIO LOAN AND DEBENTURE CO.**

LONDON — 58 years in business — CANADA

Capital, paid-up, $1,750,000 — Reserve Fund, $2,800,000

The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.

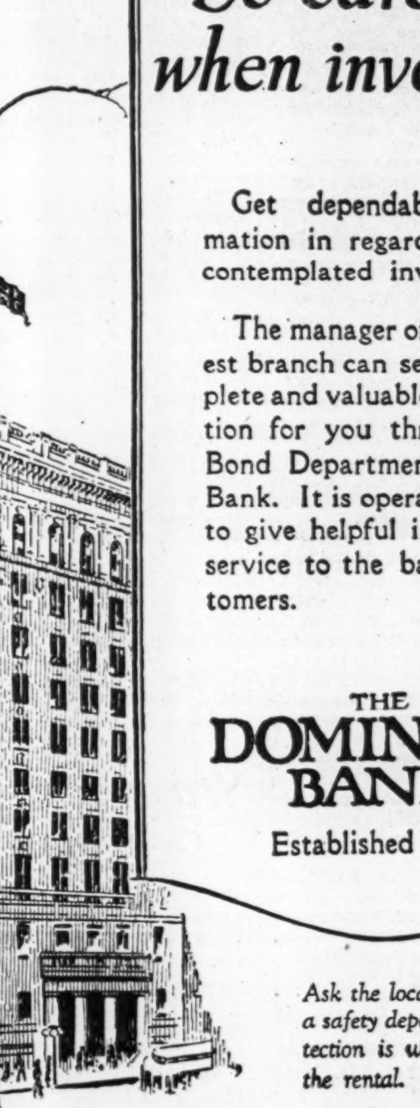
*Money loaned on First Mortgages including building loans. Applications invited.*

A. M. SMART, *President* — T. H. MAIN, *Manager*

*Be careful when investing*

Get dependable information in regard to your contemplated investments.

The manager of our nearest branch can secure complete and valuable information for you through the Bond Department of this Bank. It is operated solely to give helpful investment service to the bank's customers.



THE **DOMINION BANK**
Established 1871

*Ask the local manager about a safety deposit box. The protection is worth many times the rental.*

# ASK LOW FREIGHT RATE TO EQUALIZE ALBERTA RIVALRY

## American Wheat Growers Say Prairies Cornering Exports

## PORTS BACK REQUEST

### Record Flow of Wheat Though Vancouver Harbor Causes Action to be Taken

**From Our Own Correspondent**

MONTREAL.—Reductions in freight rates to give them an even break with prairie growers in the Pacific export markets, are being asked of the Interstate Commerce Commission by wheat growers of the Pacific Northwest who are feeling keenly competition from Canadian producers.

Close to sixty million bushels of wheat have been handled through the port of Vancouver for the current crop year and it is expected that the full year's returns will show an aggregate amount of 75,000,000 bushels. This is largely in excess of the total for 1926-27 when some 55,000,000 bushels moved through the port.

This movement has given concern to Seattle and Portland who are supporting the wheat growers in their demand for lower rates to Pacific ports. The evidence to support this demand will be presented to the Interstate Commerce Commission, which is presently engaged in determining whether grain rates can be lower without injuring the railroads.

**Fear Alberta Competition**

American farmers have been troubled for some time by the flow of Alberta wheat to Vancouver, and now their complaint has taken a practical turn. Their appeal for lower freight rates was hastened by the action of the Board of Railway Commissioners in putting new export rates into effect last September which put Western Saskatchewan in trading touch with the export market of Vancouver. That action materially assisted the increased westward shipment of wheat in Canada, which is reflected in the larger volume of grain being handled by Vancouver.

The supremacy of Vancouver in the export of grain is emphasized by the fact that in 1927 the total shipments by the ports of Seattle, Tacoma and Portland were little more than 54,000,000 bushels of wheat, of which 18,000,000 bushels were in flour.

Noting this development, the farmers of the Pacific Northwest States complain that they are being preceded in the world market by Canadian wheat. Their argument is that wheat growers of the prairie provinces, particularly of Alberta and Western Saskatchewan, having an advantage of several cents a bushel in freight rates, are underselling in the export market, and that foreign buyers are inclined to do business with Vancouver before they deal with the exporters of Washington and Oregon. In other words, they figure that the grain growers of Saskatchewan and Alberta are establishing priority in the Pacific export market.

**Demand Lower Rates**

Consequently, the farmers south of the border declared they must have lower export rates. Comparative figures show that Canadian domestic rates are higher than domestic rates in the northern states, but that the Canadian export rates are considerably lower. For instance, Havre, Montana, and Sedgwick, Alberta, are each 870 miles from Pacific ports, but the export rate from Havre to Seattle is 32 cents per 100 pounds as compared with the lower rate of 23 cents from Sedgwick to Vancouver. Hobson, Montana, and Macklin, Saskatchewan, pay 32 cents and 24 cents respectively, while the contemporaneous points of Cut Bank, Montana, and Rosemary, Alberta, pay 32 cents and 22 cents respectively.

Their complaint is aggravated by the fact that only Montana has export rates to the Pacific Coast. Idaho, Oregon and Washington are on domestic rates to the coast, so the wheat growers of these states are not only calling for export rates to permit them to meet Canadian competition, but the Idaho growers are protesting that they are denied export parity with Montana, notwithstanding the fact that Idaho is nearer to the Pacific.

The railroads, however, are strenuously opposing the demands of the growers for lower rates to Seattle, Portland and Tacoma.

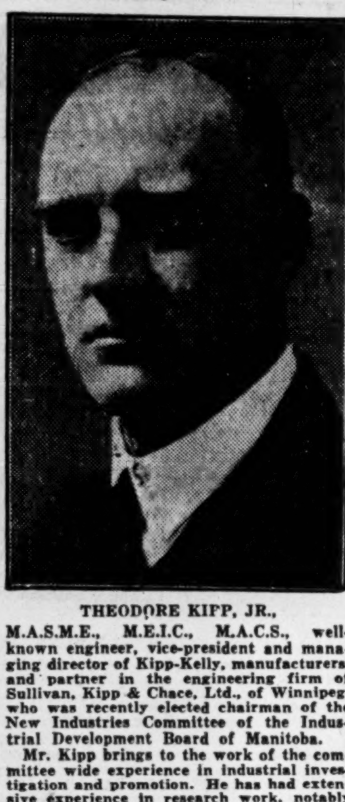
**Honey Exports Increase**

Exports of honey from Canada have increased since 1923 by 200 per cent. In 1927 the Dominion exported 1,568,712 pounds of honey to the British Isles, the United States, France, Belgium, Denmark, Germany, Holland and Sweden. With the phenomenal increase in the production of honey in Western Canada in recent years the eastern provinces have had to look for new markets, and the natural turn has been towards export with encouraging results so far.

**Record Strawberry Crop**

A strawberry crop of 40,000 crates—a record production—seems assured for Creston, B.C., this year, according to reports from the growers.

**Factory-Chaser**



THEODORE KIPP, JR., M.A.S.M.E., M.E.I.C., M.A.C.S., well-known engineer, vice-president and managing director of Kipp-Kelly, manufacturers, and partner in the engineering firm of Sullivan, Kipp & Chace, Ltd., of Winnipeg, who was recently elected chairman of the New Industries Committee of the Industrial Development Board of Manitoba.

Mr. Kipp brings to the work of the committee wide experience in industrial investigation and promotion. He has had extensive experience in research work, notably in the recovery of by-products in the milling and distilling industry. Since 1906 he has been engaged mostly in a consulting and supervisory capacity in industrial plants in various parts of the continent. During the war he was consultant to the British Food Board, for whom he designed and built a number of large food plants in England and Ireland.

# PRESSED METALS HALF YEAR BEST SINCE WAR DAYS

## To Pay Extra July 16; Half of Power Nearly Free

Pressed Metals of America is completing its best six months in the first half of the current year, if some of the periods during the war are excepted, when Pressed Metals predecessor companies were making fillers for shrapnel.

Pressed Metals now is concentrating on bushings for automobile engines. The general prosperity of the motor industry is being reflected in the activity of Pressed Metals plant at Marysville, Mich. The bushing is being manufactured under the most efficient conditions, it is declared, and so far the company has not been confronted with serious competition. The bushing is made of a patented material which is most successfully applied for this purpose. Of course, if a new material for bushings were to be discovered, the company might find difficulty in retaining its present markets, or in developing new markets. The company faced this position once before—when the end of the war virtually finished the demand for shrapnel filler. As a one-product concern, Pressed Metals so far has proved itself able to meet changing conditions.

**Gets Gas on Property**

The present dividend on the common is 75 cents quarterly, or $3 annually, and an extra of 25 cents is to be paid on July 16 for the second quarter. Recent transactions have been around 68, giving a yield of 4.8 per cent.

A gas well on the company's property at Marysville, Mich., contributes to the economy of operation of the plant, more than half the power used in the plant coming from this source. The company discovered gas in drilling for water. The company has a vacant factory property on its hands in Detroit, but this is carried at a low valuation on the company's books and it is expected that eventually it will be disposed of to advantage. The cash position of the company is such that an immediate sale is not necessary, although one or two fairly good offers have been received.

# IMMENSE STORES OF WHEAT STILL REMAIN UNSOLD

## Elevators and Railway Cars Choked With Canadian Grain

**From Our Own Correspondent**

WINNIPEG.—The Northwest Grain Dealers' Association have issued their final report on the wheat crop of 1928, which is now estimated to have been 444,351,000 bushels. Of this there have already been inspected 368,631,000 bushels, while on June 14th there were in store in country elevators 14,000,000 bushels, in transit not inspected 4,000,000 bushels, while the quantity estimated to be in farmers' hands and still to be marketed is put at 12,220,000. For seed, feed, and country mills the allowance is 45,000,000.

This makes last year's crop about sixty million bushels ahead of the crop of 1926, and brings it very close to the total crop of 1923, which still stands as a record at 452,000,000 bushels.

**Much Wheat Yet to be Sold**

The size of last year's crop, combined with a very slow movement of wheat to consuming markets since the opening of navigation on the great lakes this year, has brought an unprecedented condition for this time of year in the grain trade. The terminal elevators are full to overflowing with wheat. Grain cars by the thousand stand in the yards at Fort William and Port Arthur waiting the chance to be unloaded, and thousands of other loaded cars stand on sidings until there is room for them to be moved forward.

Eastern elevators, at Midland and other Georgian Bay ports, Port Colborne, Buffalo and Montreal are full of grain, and wheat can be moved forward only as space in those elevators is freed by export shipments. Such shipments have been small, and as a result, many great Lakes vessels, lacking cargoes, have been laid up. Competition for available cargoes has resulted in very low lake freight rates. Recent quotations have been, from Port Arthur and Fort William to Montreal 8½c., to Bay ports 2¼ c., and to Buffalo 2¼c. Ocean freighters have been correspondingly low, from 5½ to 8c. per bushel from Montreal to United Kingdom ports.

The slowness in export movement appears to have been due to the fact that Europe was taking current requirements largely from the Argentine, where wheat was available at lower price levels than in Canada, and also to a willingness, on the part of importers, to let their stocks sink to low levels in view of the large quantities available in Canada. The Argentine surplus is getting low, and with the recent decline in Canadian prices some export movement has recently taken place, but it is slow in assuming any volume. Europe is estimated to require wheat at the rate of about 16,000,000 bushels per week until the new crop there is available. Unless our wheat begins to move in very large quantity almost immediately, there is going to be a very large carry over of the old crop into the new crop season.

It is the expected thing in the Canadian market for July wheat to sell at higher prices than the average for the past season. In fact if it does not sell on that basis those who have been paying storage and interest charges to carry wheat are out of pocket. It is also expected to sell at a considerable premium above the new October future. Lately however, July wheat has been selling at a good deal less than the average of the daily closing cash prices. For example, from August 1st to June 6th the average of the daily cash closing prices was for No. one Northern, $1.48½; for No. two Northern $1.42½; for No. three Northern, $1.31½. Cash wheat on June 6th was worth $1.39 for No. one Northern; $1.34¾ for No. two Northern; and $1.28 for No. three Northern. On the same date the July future closed at $1.37, basis No. one Northern.

At the same time, July wheat, instead of selling at a premium of ten to fifteen cents above the October, as is often the case, has been trading practically on a level with the October, and at times going below the October.

**Premiums Were Unusual**

The high premiums prevailing for No. one and No. two Northern due to the scarcity of those grades has led some people to the belief that wheat prices have been higher than during the previous crop season. It is true that on these top grades the average prices have been from four to five cents above the prices of the previous year, but the average on No. three and lower grades has been running about a cent a bushel lower than the previous years' prices. On Durum wheats this year's prices have been considerably lower. In the previous year high prices prevailed owing to the scarcity of macaroni wheat in the world, and at times such wheat was worth considerably more than standard grades. This year the condition has been reversed, and Durum wheats have been worth less than standard grades.

The big carryover from last year and the bright prospects for the Canadian crop would ordinarily lead to the expectation of decidedly lower prices, and of course our prices are now considerably lower than the peak reached at the end of April under the expectation of a large deficiency in the crop of the United States. Some improvement has been recorded in the crop prospects of that country, which, it now appears is going to have some wheat to ship abroad, so prices have gone on an export basis. In fact, export shipments of early wheat are shortly to be made from Texas by way of Gulf ports. But their export surplus can not be very great, and Europe is apparently going to need a lot of wheat, with Russia still definitely out of the picture so far as ability to supply wheat is concerned.

**Position of Russia**

Before the war, from an average crop of some 630,000,000 bus. of wheat, an average of about 155,000,000 bus. a year was exported from Russia. The total production could easily have been absorbed by the population of the country, but lacking internal transport facilities, it was much easier to ship a large percentage abroad than to distribute it in the interior. According to some reports Russia is actually producing now more wheat than before the war, but little gets into export channels. One reason is the fact that grain appears to be practically impounded for internal distribution under Government authority, and another is the disposition on the part of peasants to hoard supplies of grain against the possibility of lean years.

Russia, in fact, has imported a good deal of grain in recent years. Extensive purchases of barley have been made to mix with other cereals for the making of black bread. The present scarcity of food stuffs is indicated by a recent despatch from Moscow that white bread is no longer to be sold, but everyone is to be restricted to the consumption of black bread.

**Extend Port Facilities**

Additional facilities to be made to the port of Montreal are said to include 2,000 more feet of wharf, several new sheds and other erections, to be completed this autumn. The principle piece of construction at present under way is the 3,000,000 bushel annex to elevator No. 3 which will raise its capacity to 5,000,000 bushels.

**Build Large Flume**

Plans are completed for the construction of a gigantic flume 25 miles long, to carry logs from Cowichan Lake to Tidewater on Cowichan Bay. It will be able to carry logs to six feet in diameter and the estimated cost is $750,000.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Preferred as to capital and dividends over other classes of stock and entitled to a fixed cumulative dividend at the rate of 6 per cent per annum, payable quarterly on March 1st, June 1st, September 1st and December 1st, at par at any branch of the Bank of Montreal in Canada (except Yukon Territory). Dividends cumulative from June 1st, 1928. Redeemable as a whole or in part at the option of the Company on 60 days' notice at $105 per share and accrued dividend, and at the same price in the event of liquidation or voluntary winding-up. Shares of $100 each par value. Non-voting, except as to matters affecting the rights of the holders and except after four consecutive quarterly dividends shall be in arrears and while any arrears remain unpaid. Transfer Agent: Montreal Trust Company. Registrar: Montreal Safe Deposit Company.
Application will be made in due course to list these Shares on the Montreal Stock Exchange.
CAPITALIZATION
(On completion of present financing)

| | To be Authorized | To be Outstanding |
|---|---|---|
| First Mortgage Sinking Fund Gold Bonds, due 1948 | $5,000,000 | $2,500,000* |
| 6% Cumulative Redeemable Preferred Stock | 2,500,000 | 1,500,000 |
| Common Shares (no par value) | 100,000 shs. | 60,000 shs. |

*of Series "A", 5½%.
Each certificate for Preferred Shares of this issue will on original issue be accompanied by a separate transferable registered warrant or warrants, giving the registered holder the right to purchase from the Company as whole shares but not in fractions, Common Shares of no par value of the Company, at the rate of 3 such Common Shares for every 10 Preferred Shares represented by the certificate for Preferred Shares with which such warrant or warrants may be issued, at $32 per share after June 1st, 1929, up to and including June 1st, 1930; at $35 per share thereafter up to and including June 1st, 1932; and at $40 per share thereafter up to and including June 1st, 1934. This stock purchase right will be terminable at the option of the Company at any time on 60 days' notice, during which period warrant holders may exercise their purchase rights and on the expiration of which the warrants will become void.
*Descriptive circular, copies of which will be supplied upon request, contains a letter from Mr. Jean Rolland, President of the Company, from which he summarizes:*
THE COMPANY: Rolland Paper Company, Limited, has been incorporated under the laws of the Dominion of Canada to acquire as a going concern the plants, properties and undertakings of the company of the same name which with its predecessor for 45 years has successfully engaged in the manufacture and sale of high-grade bond, writing and ledger papers. The Rolland name has been associated with the fine paper business in Canada for over 85 years, originally as importers in the City of Montreal, and as manufacturers since 1882, when The Rolland Paper Company was organized and its first mill built at St. Jerome, Que.—this mill being the first to produce writing papers in Canada. Three generations of the Rolland family have shared in the active direction of the business.
PLANTS AND PROPERTIES: Properties being acquired include a paper mill at Mont Rolland, Que., having an annual manufacturing capacity of approximately 5,300 tons of sulphite bond and rag stock papers, and a paper mill at St. Jerome, Que., having an annual manufacturing capacity of approximately 1,600 tons of high-grade rag stock paper, tub sized and loft dried.
Part of the proceeds of the present financing will be used for the installation at St. Jerome ot a new 86-inch fine paper machine, with auxiliary equipment, which it is estimated will bring the total capacity of the Company's plants to more than 8,200 tons per annum. Machinery in both mills is operated from adjacent hydraulic developments to be owned by the Company, the total installed capacities being 2,200 h.p.
VALUE OF ASSETS: Properties, water powers, plant and equipment have been appraised by The Management Engineering and Development Co., of Dayton, Ohio. Their valuation, together with the cost of installation of the additional paper machine at the St. Jerome mill which is being provided by this financing, totals $3,985,000. Net current assets (working capital) according to the balance sheet as at April 30th, 1928, after giving effect to this financing, as certified by Messrs. George A. Touche & Co., Chartered Accountants, amounted to $792,562—giving a combined total of fixed and net current assets (without including any amount for valuable trade marks and goodwill, built up over a period of 45 years) of $4,777,562, equivalent, after deducting First Mortgage Bonds, to more than $150 per $100 share of Preferred Stock now being issued.
EARNINGS: Net earnings of the predecessor company for the year ended December 31st, 1927, as certified by Messrs. George A. Touche & Co., after deduction of operating and maintenance expenses, local taxes, interest on bonds now being issued and depreciation at a rate approved by The Management Engineering and Development Co. (with allowance for non-recurring expenses) and available for Preferred dividend and income tax, were $130,228.13. Based on earnings for the four months ended April 30th, 1928, it is estimated that net earnings, similarly calculated, for the year ending December 31st, 1928 will be approximately .............. $200,000
As against annual Preferred dividend requirement of this issue of .............. 90,000
—equivalent to 2.22 times the annual dividend requirement.
On installation of the new machine at the St. Jerome mill it is estimated that net earnings on the same basis, for the year ending December 31st, 1929, will exceed .............. $300,000
MANAGEMENT: The business will continue under the same management that has been responsible for its sustained growth for many years. In addition, the Board of Directors will include prominent executives of other successful Canadian pulp and paper properties.
The Company's principal bond and ledger paper products are sold under the trade names and watermarks of "Superfine Linen Record," "Earnscliffe Linen Bond," "Empire Linen Bond," "Colonial Bond," "Service Bond," "Mount Royal Bond" and "Rockland Bond." They are known throughout Canada for their excellence and uniformity of quality, and for these reasons are also in steadily increasing demand in export markets. The Company's plants, although operating at capacity, are at present behind in completing orders. The additional machine being added upon the recommendation of the management and of independent paper trade authorities, will enable the Company to develop further its various markets.
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## EAST KOOTENAY POWER PROFITS HAVE DECLINED

### Gross Larger, But Net Off —No Depreciation— Outlook Better

**From Our Own Correspondent**

MONTREAL.—The annual report of the East Kootenay Power Company for the fiscal year ending March 31 last while showing a satisfactory increase in the gross receipts, shows also a substantial decline in the net after operating expenses. The result was that for the year, the company barely earned its preferred dividends without making any allowance for depreciation.

The more or less unsatisfactory earnings are partially offset, though, due to the closing down of two of the company's hydro plants for repairs during the year. Thus it was necessary to operate the steam plant steadily and expenses showed a sharp increase as compared with last year.

**But Assets Are Larger**

Moreover, the balance sheet revealed an increase of fixed assets from $3,978,354 a year ago to $4,577,078 this year without a corresponding increase in the company's capitalization. The funded debt has been reduced by some $20,000, but the preferred stock outstanding has been increased from $750,000 to $1,000,000. This last $250,000 increase in the preferred stock is equal to about forty per cent. of the total cost of extensions to the plant. In addition, the $70,000 bank loan which appeared on the balance sheet last year has been eliminated.

**No Working Capital**

In the assets, cash account show a decline and accounts receivable a substantial increase. In the liabilities, accounts payable have increased.

The balance sheet reveals a substantial deficit in working capital due, doubtless, to the expansion during the year under review. The satisfactory features of the report are the remarks of the president who indicates the outlook for the future is very much improved.

The results of the year's operations can be seen in the following comparison of income account figures over the past three years.

**Years Ended March 31.**

| | 1928 | 1927 | 1926 |
|---|---|---|---|
| Gross inc. .. | $422,586 | $408,706 | $377,809 |
| Exp. & taxes .. | 178,945 | 139,614 | 100,011 |
| Net income ... | 243,641 | 278,092 | 277,798 |
| Disc., etc. .... | 6,839 | 8,493 | 5,400 |
| Interest ....... | 171,222 | 173,143 | 174,119 |
| Net earn. ..... | 65,580 | 96,456 | 98,279 |
| Deprec. ....... | ..... | 40,450 | 45,000 |
| Pref. div. ..... | 61,250 | 52,500 | 52,500 |
| Surplus ....... | 4,330 | 3,506 | 779 |
| Prev. surp. .... | 11,895 | 8,389 | 7,610 |
| Total surp. .... | $16,225 | $11,895 | $8,389 |

**Remarks of President**

In a report to the shareholders, A. J. Nesbitt says in part:

"The new Sentinel steam power station, mentioned in our previous report, was completed with the installation of one 5,000 K.W. generating unit and provisions are being made for the installation of an additional similar unit during the fiscal year 1928-1929. This plant was put into operation on July 19th last, and has proved an efficient and valuable addition to your company's power resources. The introduction of fuel-consuming generating equipment has increased operating expenses, ordinarily offset by lower fixed charges. During the year under review, however, it was necessary to run the steam plant while the Elko and Aberfeldie hydro-electric plants were shut down for repairs.

## Old Directors of Prudential Trust Unseated by Court

**From Our Own Correspondent**

MONTREAL.—Directors of the Prudential Trust Company, Limited, in office prior to the general meeting of the company in March of this year were unseated by judgment of Mr. Justice Panneton in the Superior Court. The directors concerned are: E. Hal Brown, president of the board, Paul Galibert, Ralph Locke, Ernest Grubb, Henry N. Chauvin, K.C., and F. Stuart Williamson. In place of the above board, known as the Brown group, the directors nominated by the opposing group of Quebec shareholders was declared officially elected by His Lordship. The new board is composed of George Eric McCuaig, president, Hon. Arthur R. Gould, Hon. Frank Carrel, Vesey Boswell, John S. O'Meara, Alphonse Goudreau, Donald M. Robertson, William J. Green and G. A. Barnard, K.C.

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Type of Body ............

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## Soo Steel Mills Get Rail Order

MONTREAL. — It is announced that the Lake Superior Corporation has received a contract for 25,000 tons of rails from the Canadian Pacific Railway Company. This should prove a further impetus to the Canadian iron and steel industry. The additional business it is understood will carry Lake Superior's rail mills at capacity till the end of July.

## MONTREAL COKE BRINGS PROFITS TO PARENT FIRM

### Looks Like $200,000 a Year For Montreal Power Co.

**From Our Own Correspondent**

MONTREAL.—Another source of income for Montreal Power has been opened up, with the commencement of operations by the Montreal Coke and Manufacturing Company, a subsidiary of Montreal Power. Half the equity in the company is owned by Montreal Power and the other half by the Koppers Company, expert coke oven designers and operators. It is estimated that Montreal Power will increase its annual net revenue from this source by over $200,000 annually. Public investment interests in the Montreal Coke and Manufacturing Company is confined to an issue of $4,000,000, 5½ per cent. bonds issued last year to finance the undertaking. Ranking junior to the bonds there is a $2,000,000 preferred stock issue and 100,000 shares of common stock. The preferred and common are owned jointly by the two parent companies.

**Starts on Schedule**

One of the satisfactory points about this new sudsidiary of Montreal Power is that it is one of the few industrial plants which has ever been placed in operation on scheduled time. When the bonds of the subsidiary were offered the public it was stated that the plant would be in operation by July 1, 1928.

The new plant adjoins Montreal Power's gas plant at Ville La Salle near Montreal. The plant consists of a modern pulp and gas plant and has a battery of 59 Koppers coke ovens and a by-product plant for the recovery of tar and ammonium sulphate. The plant has an annual capacity of 250,000 tons of high grade coke, 6,500,000,000 feet of gas, 3,500,000 gallons of tar and 10,000,000 pounds of ammonium sulphate.

**Market for Production**

About half a million tons of coal will be used in the plant each year. Its gas output will be sold through the mains of Montreal Power and its 250,000 ton production of by-product coke should find a ready market. By-product coke is a superior fuel to gas-house coke and in the States this type of coke has, through its lower cost, supplanted anthracite in many cases. Hence, the subsidiary of Montreal Power is assured of a market for this portion of its production. There exists, of course, a steady market for the chemical by-products being produced by the plant.

## HYDRO-ELECTRIC STORES COMPETE

### Sales Contest of Appliances Creates Widespread Interest

**From Our Own Correspondent**

MONTREAL.—An interesting competition has been taking place between the majority of the leading hydro-electric distribution companies in Canada for the eight months period between September 1, 1927, and April 30, 1928. This covered a contest in the sale to customers throughout Canada of domestic electrical appliances of various kinds. The sales were made through various branch stores operated by the power companies, and resulted in a total for the period of close to $750,000.

In Group 1, composed of those stores that had been in operation for more than one year, first and second prizes were taken by the Southern Canada Power Company. The highest record was made by its Knowlton store with the unusual average of $17.88 for each customer, and the second highest average was shown by its Richmond, Que., store, $10.25. British Columbia Electric Railway Company was a close third to the latter with an average of $10.22 per customer for its New Westminster store. Southern Canada Power also won fourth, fifth and sixth places for sales at other branch stores. Seventh place was held by the St. Catharines store of Dominion Power and Transmission Company, with an average of $9.70 per customer. Other power companies that made substantial sales in the eight months' contest were Gatineau Electric Light Company; Electric Service Corporation, North Shore Power Company and Quebec Power Company (all three subsidiaries of Shawinigan Water & Power Company; Montreal Light, Heat and Power Company; Newfoundland Light and Power Company, and others.

In Class 2 — consisting of those branch stores that had been in operation for less than one year in each case —the winner of first prize was Canada Northern Power Corporation at its Haileybury store, where an average of $12.08 was secured. This company also won second place in Group 2 for its Kirkland Lake store with an average of $10.99 and third with its New Liskeard branch with $8.97.

The contest was organized by the Canadian Electrical Association, of which the companies mentioned above are members.

## B. C. Electric Lay 70 Miles of Gas Mains

B. C. Electric in the twelve months ending June 30 will have laid 70.8 miles of gas mains in Vancouver and environs and has installed 4,200 individual services in eleven months.

This compares with 67 miles of mains laid 3,370 houses connected in the previous year.

**West Kootenay Power Rates**

The question of rates charged by the West Kootenay Power Co. at Grand Forks, B.C., will be continued at Victoria, June 28, and will be confined to the question of replacement value of the plant, it is stated. Experts have given lower figures than those which were introduced by the company.

## CANADIAN VICKERS AEROPLANE ORDERS KEEP PLANT BUSY

### Keen Interest in Commercial Flying Beneficial to Company

**From Our Own Correspondent**

MONTREAL.—The inauguration of the light aeroplane club in many cities throughout Canada; the use of the aeroplane for commercial purposes, and the wider public interest in air transportation has proved highly beneficial to Canadian Vickers, Limited. The company is now in extensive production turning out two machines a week on an average. The new extension to the aeroplane department was recently started and this is now nearing completion.

So far the company has not specialized on any particular type of machine. A number of Avro machines were built during the winter months, but the Vickers-Fairchilds now appears to be in greatest demand. There are some eight of these crafts under construction at present. There are also a couple of Vedettes nearing completion and a Velos should be ready for her trial by the end of this month.

Some work is being done for Canadian Airways, Limited, in the construction of a specially designed carrier machine. It is understood that the Dominion Government is watching closely the progress on this machine and if results of actual operation are satisfactory, it is possible that the Dominion will contract for the construction of several machines of similar design for use on the prospective routes for an air mail service to Winnipeg.

In addition to the aeroplane department, the shipbuilding branch of the company is also very active. This week the first of the two dipper dredges ordered by the Department of Railways and Canals for service in Hudson Bay, was launched.

There is also considerable amount of repair work being carried on by Vickers and the company has sufficient business on hand to keep it busy for some time to come.

MONTREAL.—Net earnings from operations of the Canadian Vickers, Limited, for the year ended February 29th last, the first year of operation under Canadian control, totalled $568,884. After deduction of bond interest, preferred dividends and depreciation, there remained $129,448 applicable to the common stock, or $2.58 on each share outstanding.

Sales for the past year were approximately 23 per cent. in excess of the previous year. This improvement was participated in by all departments. In this respect it is interesting to note that the volume of sales booked for March and April this year totalled $970,000, which compares with $290,000 for the same period a year ago.

Unfinished orders at the close of the fiscal year amounted to $2,377,000.

**Healthy Balance Sheet**

Examination of the balance sheet shows the company to be in a strong and healthy financial position. Current assets total $2,296,115, as compared with current liabilities of $794,744, or a ratio of about three to one and leaving working capital at $1,501,371. Fixed assets of the company, represented by real estate, buildings, floating dock, equipment, etc., are valued at $5,992,918 and other assets at $485,782.

The company has set up a reserve of $485,782 for Dominion Government claims and $301,844 for city of Montreal taxes on property, formerly exempted by the city of Maisonneuve. An additional item of $212,996 appears among the reserves for contingencies.

In his report to the shareholders, James Playfair, president, draws attention to the fact that the plant assets have been maintained in good repair throughout the year. An addition was made to the aircraft shop involving an expenditure of $35,000. Since then the company has arranged for a further extension of the aeroplane plant in order to cope with the large amount of new business offering.

## Ottawa Trams Decision Handed Down Shortly

**From Our Own Correspondent**

MONTREAL.—The Board of Railway Commissioners' decision on the Ottawa Traction Company's application for increased fares will, it is understood, be handed down shortly. As the Ottawa Electric Railway, the subsidiary company, has operated continuously on a 5-cent fare, many investors anticipate favorable action from the Railway Board on the company's application for increased fares, for Ottawa Traction is the only company in North America which has been able to maintain the 5-cent. rate during and after the War. Of late years, though, the earnings have been affected and dividends have been discontinued.

The company has recently had differences with some of its employees; these are to be investigated by a conciliation board authorized by the Department of Labor.

## McLeod, Young, Weir Form New Stock Firm

A new stock brokerage firm makes its bow to the financial public in the firm of McLeod, Young, Harris & Scott, Limited, who will engage in a general stock brokerage business with offices at 403-7 Metropolitan Building, Toronto.

The firm will be closely affiliated with the investment banking house of McLeod, Young, Weir & Co., Limited, which has offices in the same building. W. Ewart Young, who is vice-president of McLeod, Weir & Co., is president of the new stock brokerage firm.

The floor member and treasurer of McLeod, Young, Harris & Scott, Limited, is Mr. Goodwin R. Harris, member of the Toronto Stock Exchange and of the Montreal Curb Market, who was heretofore a special partner and manager of the stock department of Messrs. John Stark & Company. Mr. W. R. Scott, secretary of the new firm, has had a long and successful business experience and was formerly a branch manager of the Imperial Bank of Canada and manager of the head office branch of the Sterling Bank, Toronto.

**Cockshutt Certificates Ready**

Shareholders in Cockshutt Plow Co. have been notified that certificates for the new no-par common stock to be exchanged for the old preferred and common are now ready for delivery. The transfer agent is the Royal Trust Co., Toronto.

## ALOUETTE LAKE IS BIGGEST PLANT FULLY AUTOMATIC

### B. C. Power Will Have Six Developments When Bridge River Ready

British Columbia Power Corp., successor to British Columbia Electric Railway Co., will have six power plants (including the steam plant) in operation on the main land when the Bridge River development is delivering current. With the acquisition in 1920 of the Western Power Co., the B. C. Electric was enabled to begin work on the Alouette development, in conjunction with the Stave Lake development of the Western Power Co. B. C. Electric had abandoned the idea of distinct Alouette lake work because of the excessive cost.

In the current issue of the Buzzer, a periodical of the company, the Alouette plant, now delivering 12,500 horsepower to the system, is described:

A dam has been built at the mouth of the double lakes, the mountain between Alouette and Stave pierced with a 3,600-ft. tunnel, a power-house built on Stave lake, and altogether $2,300,000 has been spent.

The level of Alouette lake has been raised 45 feet, and the water thus impounded flows mostly through the tunnel, driving the turbine immediately below the mouth of the tunnel and then flowing down Stave lake into the turbines of the Stave falls plant, a second usage, which made possible the enlargement of that plant in 1925.

Small as they were in comparison with the Bridge river projects, the dam and tunnel at Alouette lake were no mean items. Before any work could be commenced, a railway had to be built into Alouette lake, thus enabling vast quantities of cement and other materials to be transported. A massive concrete spillway is situated at the dam, allowing for the escape of excess water at certain seasons.

Many miles up the lake, the tunnel crosses to Stave lake. Today its mouth is far under the level of Alouette, although its mouth is 140 feet above the level of Stave lake; it is this difference in level that enables 12,500 horsepower to be developed.

The most interesting part of the whole development is, without doubt, the power plant itself. Automatic and operator-less, it works with almost human intelligence. The throwing of a switch by an operator at Stave falls, ten and a half miles away, starts up or stops at will the huge turbine and generator. To the uninitiated, there might seem to be nothing to this but turning a switch or admitting water into the turbine. The actual is very different. A great force of water, equal to 12,500 horses, cannot be admitted into a turbine just as if you were turning on a tap. Further, a dozen things might happen when the plant is running, all of which have to be taken care of by automatic devices.

## LOWE AGAIN HEADS WINNIPEG 'CHANGE

### Trading on Board More Than Doubles in Past Year

**From Our Own Correspondent**

WINNIPEG.—An analysis of the transactions on the Winnipeg Stock Exchange for the fiscal year closing May 31, shows that this institution gives promise of becoming of increasing importance in the financial life of the country.

While the total of transactions is still small in comparison with larger exchances, an increase of 120 per cent. from the previous year was recorded. Bond transactions amounted to $3,967,750, almost altogether in Dominion Government issues. The total value of listed stocks changing hands was $529,307.75, in fourteen stocks. Almost half of that volume was attained in a local brewing company, Pellissiers, Ltd. Over 150 shares of the Great West Life Assurance Company changed hands during the year at prices ranging from $425 to $535. In the unlisted section total transactions amounted to $536,499, of which transactions in the common shares of Western Breweries Ltd., accounted for $162,626. The widespread local holding of the preferred shares of Winnipeg Electric is reflected in transactions amounting to $143,904.

In the mining section which was opened on March : of this year, sales for three months amounted to 652,811 shares with a total value of $1,248,368. Some 72 mines in all were traded in. The principal market for most of these mining shares is on other exchanges, and the transactions in most of them were comparatively small.

The officers of the exchange were re-elected for another term at the annual meeting last week. The president is Peter Lowe, of Alloway and Champion, while T. C. Anderson is vice-president and John McDonal is honorary secretary. The membership now stands at 51, after the admission of 11 new members during the year.


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## F. W. WEGENAST CHOSEN TO HEAD TORONTO FINANCE

### Annual Meeting Held For First Time Since Dispute

At the annual meeting of shareholders of Toronto Finance Company held in Toronto on June 16, F. W. Wegenast was elected president in place of O. J. Brooks, who was unsuccessful in his effort before the privy council to retain possession of common stock. Other directors are Alexander Butler, general manager, W. P. Crow, secretary, H. Addison Johnston and Major Thomas Moss. Brooks Sykes resigned on account of ill-health and the shareholders authorized the directors to vote Mr. Sykes a sum by way of remuneration for his services on behalf of the company in the last several years.

It was the first annual meeting of the shareholders since the dispute originated over the ownership of the majority of shares of common stock. This stock was in the possession of O. J. Brooks or his company, Brooks Securities, to be given as a bonus with preferred stock sold. As Brooks Securities or Brooks did not sell all of the authorized preferred, $1,000,000, the majority of the board held that the common still in possession of Brooks or of his company, belonged in the treasury of the finance company.

**Exhibit Two Balance Sheets**

It was this question which was carried to the judicial committee of the privy council and the decision was that the stock belonged in the treasury of the company.

Two balance sheets were discussed at the meeting, one for the fiscal year ended December 31, last, and an interim balance sheet for the five months ended May 31. The principal difference is the item relating to common stock, this showing in the report for the full year as $1,000,000 of $10 par value outstanding, while that for the later period shows as only $383,740 outstanding of $1,000,000 authorized. An item of preferred stock subscribed and partly paid also has been eliminated from the later balance sheet and a sum of $17,848, originally received by the company from the underwriter, is shown as a reserve.

**"Discount on Stock"**

Among the assets is shown a sum of $383,570 as discount on common stock sold, this being only slightly less than the par value of the common outstanding. The reason for this item is that, under the law, a company cannot give away its stock. The common is of $10 par value, as is the preferred, and thus virtually its full nominal value had to be shown as an asset to be wrtiten off if and when possible.

The profit and loss account shows net profit for the last five months of $2,696, bringing the surplus to $5,356. The net value of the mortgages and agreements receivable is $298,688 and lien notes receivable are carried at $25,273, depreciated value of property held for sale is $171,563. These sums, with sundry other assets, including office furniture, bring assets, other than stock discount, stationery, etc., to $497,918.

## Sarnia Bridge is On Dividend Basis

**From Our Own Correspondent**

MONTREAL.—The Sarnia Bridge Company has declared a 50 cents a share quarterly dividend on its Class "A" cumulative participating stock. The declaration is in line with the announcement made when the company was publicly financed by a group of Montreal investment houses by the sale of its 12,000 class "A" shares of no par value. The stock is now on a $2 annual dividend basis. Earnings for the current year, it is anticipated, will be equal to more than four times the preferential dividend on the class "A" stock.

After a $2 dividend has been paid on the 15,000 shares of class "B" stock, both classes of stocks shall receive an equal amount of further dividends declared in any year.

**Calgary Power at Work**

CALGARY.—The Calgary Power Company has now made a real start with its new plant at the junction of the Bow and Ghost rivers and already a large crew of men are employed by the Foundation Company of Canada in the construction of the dam. It is expected that the plant will not be completed until the fall of next year.


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*Recent Issues*

**Burns & Co. Limited**
5½% First Mortgage Bonds–1948
Price: 99.50 and interest to yield over 5.50%

**Burns & Co. Limited**
6% Cum. Preferred Shares with common stock bonus and warrants
Price: 100 and dividend to yield 6%

**St. Lawrence Paper Mills Co. Limited**
6% Cum. Preferred Shares and shares of Common Stock offered in units with warrants
Price: $78 per unit and accrued dividend

**Shawinigan Water & Power Co.**
4½% First Mortgage Bonds–1968
Price: 98.50 and interest to yield 4.60%

**Canada Northern Power Corporation**
5% Gold Bonds—1953
Price: 98.50 and interest to yield 5.10%

**Compagnie Générale Transatlantique**
(French Line)
Common Stock
Price: $71 flat
(par value 600 francs)

*Full particulars on request*

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**Becomes Assistant Actuary**

The Manufacturers Life Insurance Company, announces the appointment of George L. Holmes as an assistant actuary. Mr. Holmes entered the service of the company in 1919 on his return from service overseas. He is an Associate of the Institute of Actuaries of Great Britain and a Fellow of the Actuarial Society of America.

# News of Investment Markets

## C. & B. SHARES OFFERED IN U.S., NOT IN CANADA

### Toronto Plant Operated as Subsidiary of Baltimore

### PREFERRED IS AT $52

### Common Stock Warrants Attached — $3.50 Dividend Guaranteed by Company in Great Britain

Crosse & Blackwell (Canada), Ltd., will be a wholly-owned subsidiary of Crosse & Blackwell, Inc., a Maryland corporation. Prince & Whitely, New York, announce the issue of 52,000, no par value preferred shares of the U. S. firm entitled to a $3.50 annual dividend, cumulative. The offering price is $52, to yield 6.7 per cent. This dividend is unconditionally guaranteed by the parent company in Britain until such time as the United States company shall have, two years in succession, earned its dividend twice over.

Attached to each preferred certificate will be a non-detachable warrant entitling holder to a half share of common for each share of preferred on or after June 1, 1930, or after June 1, 1929, if the directors so decide. The preferred is redeemable at $55 the share and accrued dividend. The preferred sinking fund is 10 per cent. of the net profits as defined in the chartered. This issue comprises the whole of the authorized preferred and the 186,000 outstanding common includes the 26,000 shares represented by warrants. The remaining 25,000 shares of common are reserved for issue against options at $30 the share.

**J. T. Menzies is Manager**

Financing of the United States and Canadian Crosse & Blackwell companies was forecast in The Financial Post of June 15, when statements of J. C. Goff, chairman of the British company, at the annual meeting were quoted. The directorate of the American company has not been announced, but it is stated that the management will be in the hands of J. T. Menzies, who follows his father in the service of Crosse & Blackwell. H. P. Menzies has been managing director of the Canadian company and no change has been announced.

Crosse & Blackwell has been operating a plant on the Toronto harbor front for more than a year. Some months ago there were negotiations between Mr. Goff and Christie, Brown & Co. and it was tentatively decided that Christie, Brown would acquire a half interest in the Canadian Crosse & Blackwell and take over the marketing of the company's products in Canada. This plan fell through. It was believed that the Canadian company would be financed separately, but the plan as revealed follows the line of many American companies which operate wholly owned Canadian subsidiaries. The American company has a new plant at Baltimore. The marketing of the company's goods in the United States through agencies was abandoned about two years ago.

**The United Light & Power Company**

Analysis on Request

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## Bond Notices

Mercury Mills, Limited, will redeem all of its outstanding 6½ per cent. first mortgage bonds at 105 on November 15, 1928, at the chief offices of the Canadian Bank of Commerce in Montreal, Toronto or Hamilton or at the Bank's office in London, Eng.

**BOND REDEMPTIONS**

| | Rate | Due | Redeem. | Price |
|---|---|---|---|---|
| United Grain Growers | 6% | 1940 | July 1 | 105 |
| St. Francis W. P. Co. | 7% | 1930 | Aug. 1 | 102 |
| St. Law. Paper Mills A & B, 20-yr. | 6% | 1928 | Sept. 1 | 105 |
| 10-yr. debs. | 6½% | 1929 | Jan. 2 | 102 |
| St. Maur. Power | 6½% | 1953 | Aug. 1 | 107½ |
| Beauharnois Elec. | 5% | 1942 | Sept. 1 | 105 |
| Can. Gyp. & Alb. | 6½% | 1943 | Aug. 1 | 105 |
| Que. J-C Electric | 5% | 1931 | Aug. 1 | 110 |
| Que. R. L. H. & P. | 5% | 1939 | Dec. 1 | 105 |
| Nova Scotia T. "A" | 7% | 1952 | Oct. 1 | 110 |
| P. Burns | 6½% | 1943 | July 1 | 105 |
| B. Greening Wire | 6½% | 1943 | July 1 | 103 |
| Abitibi Fibre | 6% | 1928 | Aug. 1 | 104½ |
| Abitibi Pr. & Pap. | 6% | 1940 | July 2 | 105 |
| L'Hôpital Francais de Montreal | 5½% | 1935 | July 1 | 102 |
| H. Smith Paper | 7% | 1941 | July 2 | 105 |
| La Comp. Electrique de Chicoutimi | 6% | .... | July 1 | 102½ |

### Gairdner & Co. Move to Temporary Offices

Gairdner and Company, investment bankers, announce their occupation on Saturday, June 23, of offices on the fourth floor of the General Assurance Building, Toronto. The change of location has been made necessary owing to the need for increased office accommodation and the fact that the Harland Smith Building at the corner of Adelaide and Bay Streets will shortly be demolished to allow for the construction of the new Canada Permanent Building.

Gairdner and Company, Limited, have made arrangements for their permanent offices to be located in the latter building on completion, which it is anticipated will be towards the end of next year.

### Canadian Coal Company Offer Convertible Preferred

**From Our Own Correspondent**

MONTREAL.—International Finance Company is offering 40,000 shares of 7 per cent. cumulative redeemable preferred stock, par value $25, of the Canadian Coal Company.

This company was formed in 1924 under a Nova Scotia charter as a merger of two proven coal properties and negotiations have been completed for the acquisition of two additional collieries, estimated deposits on the four properties being approximately 55,000,000 tons of coal. The company also controls the Coal Sales Limited, of Nova Scotia, which, in addition to handling the output of the parent company, will distribute Welsh and Scotch anthracite coal throughout the Maritime provinces.

Details of the issue follow:

**$1,000,000**
**Canadian Coal Company Limited**
**7% Cumulative S. F. Preferred Stock**
**Par Value—$25**

**Company:** Owns and proposes acquiring various coal properties in Nova Scotia. Will market through own subsidiary.

**Purpose of Issue:** Purchase of properties, installing modern machinery and other corporate purposes.

**Assets:** On an estimated tonnage of 55,000,000, valued at 10 cents a ton, assets are appraised at $5,500,000. Present machinery is valued at $144,500, giving a total valuation of $5,644,500. This appraisal does not include tonnage on the 12 sq. miles of leases owned by the company.

**Estimated Production:** Working at normal capacity company's mines have an annual output of 550,000 tons, for which a market in the Maritimes and Quebec will be developed.

**Labor**—Non-union men are available for work in the mines.

**Estimated Profits**—On the basis of $4.10 to $5.65 per ton loaded on cars at the mines and the cost of production at $3.03 a ton loaded on cars, net profits are estimated at $608,000.

**Management**—Will remain with those who have been associated with company's mines for some years.

**Conversion:** Preferred will be convertible into common on a share for share basis.

**Offer:** International Finance Co. at $25 a share with a bonus of two shares of no par comon with each five shares of preferred.

**From Our Own Correspondent**

MONTREAL.—Canadian Coal Company, Limited of Halifax, early financing for which is anticipated, has a board of directors consisting of L. H. Wheaton. A.M.E.I.C., consulting engineer, Halifax, president; H. M. Bradford, investment broker, Halifax; O. H. Parsons, president, Parsons Ocean Power Company, Halifax; H. N. McMaster, general manager, International Finance Company, Montreal; Frederick M. Thompson, president, Albert Manufacturing Co., Limited, Montreal; S. S. Holden, president, Grant, Holden-Graham Limited, Ottawa; P. Gosselin, Montreal; F. W. Huestis, secretary.

The advisory board comprises, Frederick B. Brown, M.Sc., of Walter J. Francis & Co., Montreal, George E. Leighton, Thos. J. Colter, C.A., senior partner of Colter and Jones, Montreal; and J. Rattray Wilson, Ottawa.

F. B. Brown, M.Sc., and J. Rattray Wilson are to be consulting engineers, and George E. Leighton will be consulting mining engineer.

**New Insurance Licenses**

Department of Insurance, Ottawa, has issued the following licenses:

Confederation Life Association, to write insurance against bodily injury and death by accident, and sickness insurance; to Phoenix Assurance Company, to write burglary insurance; and to The Acadia Fire Insurance Company, to write burglary insurance.

## ROLLAND PAPER PREFERRED STOCK PUT ON MARKET

### Control by Fraser Co's. Will Prove Helpful to New Concern

**From Our Own Correspondent**

MONTREAL.—Following its announcement of the purchase of the Rolland Paper Company, Royal Securities are offering this week an issue of $1,500,000, 6 per cent. cumulative preferred stock of the Rolland Paper Company., Ltd., with warrants to purchase common stock.

The old company has been in the business of paper making for about 45 years. Plants are located at Mount Rolland and St. Jerome, the former having an annual capacity of 5,300 tons of sulphite bond and rag papers and the latter approximately 1,600 tons of high grade rag stock paper.

Part of the proceeds of the present financing will be used for the installation at St. Jerome of a new 86-inch fine paper machine, with auxiliary equipment, which it is estimated will bring the total capacity of the company's plants to more than 8,200 tons a year.

The new Rolland Paper Company will be controlled by Fraser Companies and associates. Fraser owns large areas of valuable pulpwood in Quebec and the linking up of the two concerns will assure the Rolland Paper of an adequate source of raw materials, while at the same time Frasers will have an increase market for their bleached sulphite pulp, as well as the advantage of a Dominion-wide marketing for its own finished products.

Particulars of the issue follow:

**$1,500,000**
**Rolland Paper Company**
**6% Cumulative Redeemable Preferred Stock**

| Capital: | Authorized | Issued |
|---|---|---|
| 1st Mort. S.F. Gold bonds, due 1948 | $5,000,000 | $2,500,000 |
| 6% cumulative stock (this issue) | 2,500,000 | 1,500,000 |
| Common stock, no par value | 100,000 shs. | 60,000 shs. |

**Company:** Manufacturers of high grade papers with plants located at Mount Rolland and St Jerome, Quebec.

**Assets:** Properties, water powers, plant and equipment, together with additional machinery to be installed at St. Jerome, have been appraised at $3,985,000. Net current assets, after giving effect to this financing, amount to $792,562, giving a combined total of $4,777,562. After deducting first mortgage bonds, this amounts to more than $150 per $100 share of preferred stock.

**Earnings:** Net earnings of predecessor company for 1927, after deduction of taxes, operating and maintenance expenses, bond interest, depreciation, available for income tax and preferred dividend, were $130,228. Based on earnings for four months ended April, 1928, net earnings, on same basis, are estimated at $200,000 for the full year.

**Stock Warrants:** Registered holders will have right to purchase after June 1, 1929, and up to and including June 1, 1934, as whole shares, no par common stock at the rate of 3 such shares for every 10 preferred, at $32 a share up to and including June 1, 1930, and on a graduating scale upward thereafter. Company has right to terminate stock purchase rights on 60 days' notice.

**Offer:** Royal Securities Corporation at 97 and accrued dividend, to yield 6.19 per cent.

## INVESTMENT MEETING AT MINAKI IN '29

### Association Elects Newman, Coombs, Williamson as Vice-Presidents

The following is the list of officers elected at the annual meeting of the Investment Bankers' Association of Canada in Quebec last week:

Honorary President—Wm. Hanson, Montreal.

Honorary Vice-president—A. E. Ames, Toronto.

President—Harry Ford, Winnipeg.

Vice-presidents—H. Newman, Montreal; F. J. Coombs, Toronto; A. H. Williamson, Winnipeg.

Executive committee—Henri Bray, Quebec, Que.; J. S. Aird, Montreal; Ernest Savard, Montreal; E. H. Fuller, Montreal; N. S. Brooke, Montreal; J. M. Robinson, Saint John, N. B.; H. M. Bradford, Halifax, N. S.; J. A. Fraser, Toronto; H. Murray, Toronto; N. B. Bell, Toronto; J. G. Weir, Toronto; H. Fry, Toronto; H. E. Cochran, Toronto; W. J. Ralph, Winnipeg, Man.; R. P. Clark, Vancouver, B. C.; H. M. E. Evans, Edmonton, Alta.; E. J. Cleary, Regina, Sask.

Honorary treasurer—A. H. B. Mackenzie, Montreal.

Auditor—Geo. Gonthier, Montreal.

Counsel—E. G. Long, K.C., Toronto.

General secretary—J. A. Kingsmill, Toronto.

It was decided to hold the next annual meeting at Minaki Inn next June.

## ALUMINIUM LIMITED WELL SUBSCRIBED

### $20,000,000 American Money to Help Develop Canadian Industry

The strong position that Canadian investments hold in the mind of the investor across the border, is fully evidenced by the quiet absorption of $20,000,000 5 per cent. sinking fund debentures offered by Pittsburgh and New York houses during the past few days. This whole issue, made for the sole purpose of expanding and enlarging the Canadian end of the aluminum industry, is stated to have been subscribed within a few hours of offering.

Aluminium Limited has been incorporated with a Dominion charter to acquire from Aluminum Company of America all the outstanding stock of Aluminium Co. of Canada and all of the stock owned by Aluminum of America in various other companies carrying on operations in Canada. The new company, Aluminium Limited, will start operations with ample reserves of raw materials, with plants located in Canada and Norway of the most modern and efficient type recently extended to permit of increase in production on a large scale, and with ample supplies of power resources and working

Details of the issue are as follows:

**$20,000,000**
**Aluminium Limited**
**5% Sinking Fund Gold Bonds**
**Dated July 1, 1928 Due July 1, 1948**

**Company:** Incorporated with Dominion charter to acquire from Aluminum Co. of America all the outstanding stock of Aluminum Co. of Canada, Ltd., and all of the stock owned by Aluminum Co. of America in various other companies carrying operations in Canada and other foreign countries. Will carry on extensive operations in the mining of aluminum ore, smelting of aluminum, and its manufacture. Is amply supplied with resources of both raw materials, power and capital, and has extensive manufacturing and sales experience. Comprises several operating units of extensive experience and profits.

**Assets:** Total tangible assets less all reserves are valued at $46,600,000, and current assets are $11,203,268, or more than four times current liabilities.

**Earnings:** Aggregate net income of companies in the merger totalled $2,692,904 in 1927, and $902,487 for first quarter of 1928. Average net income for past 3¼ years has been 2.43 times annual interest charges on bonds now being issued.

**Offer:** In the United States by The Union Trust Co. of Pittsburgh, Guarantee Co. of New York, Lee Higginson & Co., Bankers Trust of New York, and Mellon National Bank, Pittsburgh.

## Tenders and By-laws

**July 3.—Ville Marie, Que.**—$10,000, 5½%, 20-year serial bonds. J. Grenier, sec.-treas.

**June 26.—Regina**—$479,350, 4½%, 10, 15, 20 and 30-year local improv. debs. D. D. Ross, city treas.

**June 28.—Port Hope**—$140,790, 5%, 20-year local improv. debs. J. W. Sanders, clerk.

**June 29.—Midland**—$228,000, 5%, 10, 20 and 30-instal. debs. R. R. Wilson, clerk and treas.

**June 25.—Sandwich**—$152,169, 5½%, 15, 20 and 30-ins. debs. E. R. North, clerk.

**July 9.—Town of Kenogami, PQ.**—$66,000 and $83,000, 5%, serial bonds. D. Demers, clerk.

**SASKATCHEWAN**
**Authorizations Granted by the Local Government Board**
**From June 2 to June 9, 1928.**

**Schools** — Southgate, No. 358, $1,750; Artichoke, No. 474, $4,500; Carlyle, No. 276, $5,000; Eskdale, No. 1628, $1,000; Cayuga, No. 940, $800; Picnic Lake, No. 3829, $2,700; Morse, No. 1291, $10,000; Red Fox Valley, No. 72, $1,800; Mazeppa, No. 2860, $600; Ormiston, R. T. Co., Ltd., $175; Lenora Lake, R. T. Co., $1,200; Elbow Village, $2,000.

**Debentures Reported Sold**

Dukesbury, No. 851, $2,500, 10-yrs., 5¾%, Melfort Sinking Funds; Wideview, No. 3911, $1,500, 10-yrs., 5½%, Regina P. S. Sinking Funds; Sunderland, R. T. Company, $200, 5-yrs., 5½%, Duck Lake Sinking Funds; Vonda Town, $5,000, 15-yrs., 6½, C. C. Cross & Co., Regina; Brock Union Hospital, $15,000, 20-yrs., 5½%, H. J. Birkett & Co., Toronto.

## WEEKLY RECORD OF FINANCING IN CANADA

**SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS**

| Place | Date Sold | Sold To | Rate | Maturity | Amount | Price | Cost Basis |
|---|---|---|---|---|---|---|---|
| **Municipal** | | | | | | | |
| Saskatchewan Schools | June | Various | ... | .... | $24,200 | ... | ... |
| Winnipeg | June | Sinking Fund Trustees | 5% | 3-yr. | 1,000,000 | 100 | ... |
| North Norfolk, Man. | June | Alderson, De Jardin & Co. | 6% | 20-ins. | 15,000 | 106.61 | 5.23 |
| Port Credit | June | C. H. Burgess & Co. | 5% | 10 & 30-yr. | 20,316 | 92.37 | ... |
| Loretteville, Que. | June | Lagueux & Darveau | 5% | 30-ser. | 200,000 | 100 | ... |
| **Provincial** | | | | | | | |
| Nova Scotia | June | Bank of Montreal and Syndicate | 4% | 2-mos. | $10,550,000 | ..... | ... |

**OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES**

| | Date Issued | Offered by | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| **Bond Issues—** | | | | | | | |
| General Calcium Corp. | June | W. Huston & Son (Gold notes—with bonus of 10% of common) | 7½% | 10-yr. | $100,000 | 100 | 7½% |
| Dominion Woollens & Worsteds | June | W. A. Mackenzie & Co. | 6% | .... | $2,250,000 | 100 | 6% |
| **Stock Issues—** | | | | | | | |
| Rolland Paper Co. | June | Royal Securities Corp. | 6% | Pref. | $1,500,000 | 97 | 6.19% |
| Geo. Weston | June | R. A. Daly & Co. | 7% | Pref. | $500,000 | 101 | ... |
| Dominion Envelope & Cartons | June | James Richardson & Sons (with bonus of one share common) | 7% | 1st Pref. | $425,000 | 100 | 7% |
| Anglo-Canadian Insurance Corp. | June | Can. Investment Corp. | ... | .... | $36,000 | 125 | ... |
| Sudbury Dowling Mines | June | A. E. Beck & Co. | ... | .... | 750,000 shs. | 80c. | ... |
| Sleeman's Spring Bank Brewery | June | Nutario Securities Co. | ... | .... | 10,000 shs. | $15 | ... |
| Empress Petroleums | June | Foster-Baker, Calgary, and Syndicate | ... | .... | 150,000 shs. | 75c. | ... |
| Dominion Power & Milling Corp. | June | Gray, Bashworth | 7% | Pref. | $150,000 | ... | ... |
| | | | no par | Com. | 1,500 shs. | ... | ... |

(Offered in units of one share com. and one share preferred at $125 per unit)

**International Proprietaries**
Limited
*Eno's Fruit Salt*
**CLASS "A" STOCK**

**This company will acquire the share capital of J. C. Eno Limited, whose product, Eno's Fruit Salt, has for 50 years been sold in countries throughout the world.**

**The stock now offered is entitled to preferential cumulative dividend of $2.40 per annum, ranking prior to Class "B" dividends. It also is entitled to dividends on 25% of all amounts set aside for Class "B" stock dividends.**

**Earnings available for taxation and Class "A" dividends have averaged $769,527 during the past five years.**

**PRICE: $40 per share**
and accrued dividend

*Send us the coupon for further particulars.*

**JOHNSTON AND WARD**
14 King Street East, Toronto, Ont.
Royal Bank Building, Montreal

Please send me full particulars regarding the Class "A" stock of International Proprietaries Limited.

Name ..............................
Address ..............................

## FIRST ANNUAL REPORT of the Canadian General Investment Trust Limited

**Head Office - 347 BAY STREET, TORONTO**

**BOARD OF DIRECTORS AND ADVISORY BOARD**

RT. HON. ARTHUR MEIGHEN, K.C., P.C., Chairman.

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E. R. BREMNER, Ottawa, Ont. W. C. Edwards & Company

C. V. CUMMINGS, Vancouver, B.C. Northern Construction Co.

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VICTOR ROSS, Toronto, Ont. Vice-President, Imperial Oil Co., Ltd.

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LT.-COL. SIR RONALD WATERHOUSE, London, England.

HON. LORNE C. WEBSTER, Montreal, Que. President, Canadian Import Company. Director, Sun Life Assurance Co. of Canada.

W. J. BLAKE WILSON, Vancouver, B.C. Vice-President, P. Burns Co. Ltd. Director, Canadian Pacific Railway.

J. H. WOODS, Calgary, Alta. Calgary, Herald.

*Note: $7,500,000 is the entire amount at present authorized for issue and is now completely subscribed.

**BALANCE SHEET**

**ASSETS**

| | | |
|---|---|---|
| Cash in Banks and On Hand | | $ 17,650.45 |
| Investments at Cost | $7,528,210.22 | |
| Add: Accrued Interest and Dividends thereon to date | 73,209.22 | |
| | | 7,601,419.44 |
| Note: The market vlaue of the above Securities amounts to...$7,765,679.61 | | |
| Call Loans and Accrued Interest Thereon | | 161,916.08 |
| Securities Held for Sale | | 52,187.28 |
| Furniture and Fittings | | 51.34 |
| Deferred Charges: Underwriting Commission, etc., less amount written off | | 280,651.80 |
| | | $8,113,876.39 |

**LIABILITIES**

| | | |
|---|---|---|
| Bank Loans | | $1,773,000.00 |
| Other Loans and Accrued Interest Thereon | | 134,549.28 |
| Sundry Liabilities, Including Balances Unpaid on Securities Purchased | | 1,456,014.99 |
| Dividends Payable | | 5,873.43 |
| Share Capital: | | |
| Authorized: 100,000 Shares of $100 each | $10,000,000.00 | |
| *Issued: 71,039 Shares of $100 each | 7,103,900.00 | |
| Less: Unpaid thereon | 2,534,172.75 | |
| | | 4,569,727.25 |
| Profit and Loss Account | | 174,711.44 |
| | | $8,113,876.39 |

**Contingent Liability**

The shares held of the Capital Stock issued by Canadian Chartered Banks are subject to a double liability.

To the Shareholders of Canadian General Investment Trust Limited.

We have examined the books and accounts of Canadian General Investment Trust Limited as at the close of business on January 31, 1928, and find that the above balance sheet is in accordance therewith. We verified the company's investment securities either by actual inspection or by certificates from banks and others with whom the bonds and shares were lodged as collateral security. The cash in banks and loans and other liabilities were confirmed by certificates.

And we certify that the above balance sheet is drawn up so as to show the true financial position of the company as at the close of business on January 31, 1928, before providing for income taxes.

PRICE, WATERHOUSE & CO., Chartered Accountants.
SAUNDERS, CAMERON & CO., Chartered Accountants.

Toronto, April 12, 1928.

**PROFIT AND LOSS ACCOUNT**

From the 1st February, 1927, to the 31st January, 1928

| | | |
|---|---|---|
| Interest and Dividends from Investments | | $124,818.69 |
| Realized Gains on Securities Sold | | 208,355.34 |
| | | $333,174.03 |
| Less Interest on Loans | $36,279.72 | |
| Sundry Expenses | 489.12 | |
| | | 36,768.84 |
| | | $296,405.19 |
| Less Proportion of Underwriting Expenses written off | | 50,000.00 |
| | | $246,405.19 |
| Less Dividends paid at 6% per annum | | 71,693.75 |
| Balance of Profits undistributed | | $174,711.44 |

**"Investment Securities"**

This monthly publication contains an extensive list of sound investment opportunities.

The exacting requirements of National City standards is an assurance to investors that the security behind these investments has met all the tests of a most rigid and searching examination.

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*Canadian Government, Municipal and "Dollar for Dollar" Bonds*
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MONTREAL · LONDON · HAMILTON · OTTAWA

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Investment in World Enterprises.
An Investment in the shares of DIVERSIFIED INVESTMENT TRUST, LIMITED is a participation in the world's most profitable Enterprises
WRITE FOR BOOKLET AND INFORMATION.
FEDERAL BOND & SHARE COMPANY
Dominion Bldg., 465 Bay St.
Toronto — Canada

*New Issue*
**Department of Cundinamarca**
Republic of Colombia
External Secured 6½% Sinking Fund Gold Bonds, 1928
Dated May 1, 1928 · Due November 1, 1959
**Price: — 93½ and accrued interest; yield to average maturity over 7.14%**
*Descriptive circular on request.*
**MATTHEWS & COMPANY**
LIMITED
*Investment Bankers*
255 Bay St. · ELgin 5192 · Toronto 2

## Maple Leaf Milling Company, Limited
### TORONTO
### EIGHTEENTH ANNUAL STATEMENT

General Manager: A. R. MACDONALD

**BALANCE SHEET—MARCH 31st, 1928**

**ASSETS**

| | | |
|---|---|---|
| Cash on hand and in Bank | $ 187,797.99 | |
| Accounts Receivable | 2,586,148.98 | |
| Inventories, Grain, Flour, Feed, etc. | 3,418,652.43 | |
| Investments | 3,090,254.18 | |
| | | $ 9,182,848.58 |
| Deferred Charges | | 267,289.34 |
| Real Estate, Buildings, Plant and Equipment | | 6,862,392.81 |
| Goodwill and Trade Marks | | 236,043.86 |
| | | $16,548,574.54 |

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING MARCH 31st, 1928**

| | | | |
|---|---|---|---|
| Bond interest | $ 117,343.50 | Balance, March 31, 1927 | $2,076,461.49 |
| Dividends, Preferred | 205,100.00 | Net Profit for year | 513,293.32 |
| Balance, March 31, 1928, per Balance Sheet | 2,267,311.31 | | |
| | $2,589,754.81 | | $2,589,754.81 |

**LIABILITIES**

| | | |
|---|---|---|
| Bankers' Advances | $3,407,507.36 | |
| Accounts Payable | 1,834,715.68 | |
| | | $ 5,242,223.04 |
| 6½% First Mortgage Bonds | $2,000,000.00 | |
| Less Redemptions | 213,500.00 | |
| | | $ 1,786,500.00 |
| Reserves: Depreciation | $1,738,051.24 | |
| Bad and Doubtful Accounts | 84,488.95 | |
| | | $ 1,822,540.19 |
| Capital Stock: Preferred | $2,930,000.00 | |
| Common | 2,500,000.00 | |
| | | $ 5,430,000.00 |
| Profit and Loss | | 2,267,311.31 |
| | | $16,548,574.54 |

(Indirect Liability for Bills under Discount, $165,485.71)

# THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
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Managing Editor—FLOYD S. CHALMERS

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TORONTO, JUNE 22, 1928


## THE ONTARIO HYDRO

CONSOLIDATION still continues as the dominant feature of policy of the Ontario Hydro-Electric Commission, which has issued its annual report for the year 1927. Under the control of Hon. C. A. Magrath, chairman of the commission, there has been no broad program of expansion. Rather an attempt has been made to build up badly needed reserves. The provincial commission and the various municipal commissions that distribute power in their own localities have established reserves that total $65,400,000 in all as against total investments of $286,000,000. Most of the advance in the direction of building up reserves has been made in the past three years since Mr. Magrath has been in control. Under his direction the enterprise is being put in thoroughly sound financial condition, an achievement beyond the abilities of Sir Adam Beck, who was a dreamer and politican rather than a hard-headed business executive or financier.

Apparently the method by which these reserves have been built up has been generally to increase rates. The word apparently is used advisedly. One finds it difficult to get at essential facts in the annual report of the Ontario Hydro Electric Commission, bulky though it is. Generally the trend in domestic lighting rates has been downward rather than upward, although now that Toronto is setting the lead in increasing rates to householders other hydro municipalities are likely to follow suit. But there has been an alarming increase in the average charge to industrial power consumers. In only a few cities is there a downward tendency. On the whole large power industries are still being made to pay high power costs in order to provide cheap electrical energy for householders.

This has been denied on a score of occasions by hydro officials. But all these denials are as naught in the face, first, of the admission of the Toronto Hydro Electric System that its lighting rates have been unduly low in comparison with other rates and, second, of the figures published in the annual report of the provincial commission.

The increase in rates charged for power, in lieu of some as yet unrevealed explanation, must be regarded as disturbing to Ontario industry. Consider, for instance, the city of Niagara Falls, right where 85 per cent. of the Commission's power is generated. The average selling price for power in Niagara Falls over a term of eleven years has risen by 50 per cent., as this table shows:

| | |
|---|---|
| 1917 | $13.49 per h.p. |
| 1918 | 15.03 per h.p. |
| 1919 | 12.96 per h.p. |
| 1920 | 13.67 per h.p. |
| 1921 | 13.26 per h.p. |
| 1922 | 14.87 per h.p. |
| 1923 | 18.04 per h.p. |
| 1924 | 19.47 per h.p. |
| 1925 | 20.81 per h.p. |
| 1926 | 21.47 per h.p. |
| 1927 | 21.96 per h.p. |

Perhaps the rise has something to do with the decline in the number of power users in Niagara Falls from 93 to 83 in that period.

There are twenty-one cities on the hydro system in addition to many towns and villages. In fifteen cities, power costs have increased since 1918 and have decreased in only six. In the towns and villages, the ratio of increase has been even more pronounced. The size of the increases has been greater than the size of any decreases.

In Toronto, the largest city in the hydro system, power cost has risen from $19.92 to $24.81 in the same period. In that period residence lighting rates have declined. The increase in power costs really started when the Chippewa power development began to generate energy. The Chippewa power canal and plant was to have given the public cheaper power. Instead it has increased the cost of power.

The 1928 annual report of the commission makes much of the fact that the average cost to the domestic consumer in the United States in 1927 exceeded seven cents per k.w.h., while in Ontario it was less than two cents. But Ontario's power system generates only water power and has not had to generate steam power as have centres in the United States not favorably situated as regards water power resources. A fairer comparison would be with the private power companies in Quebec and it has been established that their average charges for energy are less than those of the Ontario Hydro, when all classes of energy and not merely household energy rates are considered. Given like conditions, American plants provide energy as cheaply as do Ontario hydro utilities. For instance, the average charge for energy in Toronto is 1.65 cents. In and about Minneapolis the average charge, after allowance on a similar basis of accounting, is 1.63 cents. The average k.w.h. charge of the Southern California Edison Company, which has cheap water power supplies, is 1.55 cents.

There is nothing in the hydro record to indicate that public ownership of power in Ontario has done for the province as much as private ownership of similar development has done for other areas. In fact, there is plenty of evidence that Ontario's industrial progress has definitely been hindered by its policy in regard to water power development and distribution.

## SIGNS OF ACTION

APPARENTLY the government at Ottawa does not intend to do a half job of publicity work in Great Britain. The Manchester Guardian thus reports on plans a-foot in this regard:

"No one can complain that the Dominions are shy about advertising their products, but Canada is now going one better by having a permanent staff in London ready at the word 'go' to take a stall of Canadian products to any exhibition that is held in Great Britain.

"Major J. Parmalee, the Assistant Deputy Minister of Trade and Commerce of Canada, has just arrived in London in connection with the scheme. For the next two months he will be busy conferring with the Canadian Exhibition Commissioner and the Director of Publicity in Great Britain on the marketing of Canadian goods in relation to these exhibitions.

"An interesting point is that the whole affair will be run entirely by Canadians. They are to have a large warehouse in London where all the articles necessary for exhibitions can be kept. Canadian artists will design attractive display stalls and posters, and a staff of Canadian men and women will demonstrate the goods that are being exhibited. The object is to give the public an idea of the products that Canada can actually supply rather than of its future possibilities. Only goods readily obtainable in Great Britain will be displayed.

"Naturally agricultural products and tinned goods will form the majority of the exhibits, but any other Canadian products or manufactured articles will also be shown provided they are being exported to England in any considerable quantity. While the exact dates have not yet been fixed, arrangements are being made to hold exhibitions of Canadian products at Birmingham, Aberdeen, Belfast, Manchester, Glasgow, Leeds, and Bristol in the near future."

In view of the long continued campaign conducted by The Financial Post for the establishment of a proper publicity and exhibition service for Canada in the British Isles, we can not but congratulate the government on its present activity.

It is to be hoped that the government will continue to use only able and experienced men in this work. Publicity work of this type is of such vital importance to Canada that party hacks or inexperienced men should not be appointed to the work. A newspaperman who has proven his worth in work of an allied nature ordinarily makes the best publicity or display representative.

## MUCH MALIGNED

THERE is nothing of euphemism in the word lobbying. It is a word that has a sinister sound; it suggests to the mind of the average person something reprehensible, mysterious, villainous.

This is quite unfair. What is lobbying? Is it not the practice of placing before members of parliament information, favorable or unfavorable, concerning a matter in which parliament is interested and the person undertaking the lobbying is also interested? There is nothing inherently wrong in this. Certainly, when a bill is before Parliament that directly touches the interest of some person or corporation, that person or corporation should be privileged on any basis of justice to make his case to the individual members of parliament either in person or through a paid representative.

Even the employment of a professional lobbyist is not sinister; no more so than the employment of a lawyer to plead one's case in the law courts. The use of bribes or the employment of other unfair means of influencing the judgment of parliamentarians would be a serious offence, but fortunately, we may assume that the Canadian parliament sets a high standard in its freedom from political corruption.

Those who discuss the business of lobbying with members of parliament will find that, on the whole, they find it valuable to have complete information on matters that are up for discussion or decision presented to them by various interested parties. The so-called lobbyists of the large corporations find as bright a welcome in the offices of the Western Progressive members as anywhere else in the building. The keener a member of parliament is as student of the affairs that are brought before him, the more likely he is to be interested in facts and figures and arguments presented to him by well-informed persons, even by those with whom he will see fit to differ in his final judgment.

So long as the lobbyist takes his arguments out of a brief case and not out of a bottle, so long as he gives the members facts and not bribes, let lobbying go on.

## REAL CANADIANISM

HOW far can a Canadian company, benefiting under the tariff, go on practising what it preaches, namely buying in Canada? Some companies loudly proclaim their need of tariff protection, but when the time comes to purchase raw materials available domestically, the purchases are not infrequently made elsewhere, even though they are obtainable at comparable—not a higher but at comparable—prices in Canada.

Then again services of one kind or another, including those of professional men, are too frequently purchased in the United States when equally competent services are obtainable in the Dominion.

Actions such as this by many protected companies do more harm to the case for protection than myriads of political speeches. However, while some companies have, and are taking advantage of the protection afforded them by the Canadian people, there are others—many others—which play the game fairly and squarely, not only by their customers, but by the public at large.

The Goodyear Tire and Rubber Company, under the extremely able and efficient management of C. H. Carlisle, gives a good lead in purchasing raw materials domestically and so building up a more prosperous country with, in turn, a larger buying power for tires.

There is a high tariff on tires. But the company takes no advantage of this fact and sells below the U.S. price plus the duty. Incidentally, it is the dominant company in the tire industry in the Dominion; hence, it can not be said that prices are dictated by other organizations.

In addition, Goodyear makes as many purchases in Canada as possible. And this does not mean that materials are purchased only when the Canadian price is equal to, or below the U. S. price. Time and time again, the company has bought its cotton fabric requirements in Canada at a figure higher than the prevailing U. S. price.

The Goodyear Tire and Rubber Company is controlled by the parent U. S. organization; its policies, though, are dictated by C. H. Carlisle, the president of the Canadian organization.

There is food for thought to all Canadians that a company controlled in the U. S. is giving a lead to Canadians in not absorbing the full measure of protection afforded it and at the same time practising what it preaches by buying Canadian-made commodities—even though they are sometimes higher in price than the foreign article.

## A SOUND TREND

OWNERSHIP of companies operating in Canada is more and more coming into Canadian hands. The trend is naturally gratifying to national pride. But it is gratifying in other ways also.

Too often in the past have companies, owned either in the United States or in Great Britain, had their policies directed by those with no knowledge of, or contact with local conditions. Sometimes the results have been disastrous. But the transference of the equity ownership in Canadian companies to Canadians themselves provides assurance of something more than merely sound operation.

Witness the B. C. Power Corporation which has just been acquired by Canadians from British interests. This company paid approximately $1,000,000 annually in dividends to its shareholders in Britain. In addition, it paid approximately $1,000,000 in income tax to the British Government.

For the future this sum total of $2,000,000 will find its way annually, either into the hands of Canadian investors or into extensions and additions to the corporation's properties. In other words, $2,000,000 each year formerly spent in Britain will now be spent in Canada serving to increase prosperity here in general and in particular in the territory served by the company, where the B. C. Power will now be able to devote much larger sums annually to enlarging its services.

## WORTHY OF THEIR HIRE

THE larger Canadian contracting companies are considering taking steps to decrease the number of contracts awarded to United States firms. In prosperous times, foreign contractors slip into Canada, erect a building, sometimes below the price for similar services in the United States, and then slip out of the country leaving naught to increase the general level of prosperity.

Briefly, the chief grievance voiced by some Canadian contracting firms is that many manufacturers, industrialists and financiers who cry loudly about the need of maintaining the tariff, give no thought to the need of placing their own contracts for construction work with domestic firms.

The claims of the Canadian contractors deserve the sympathetic and thoughtful consideration of Canadians. The contracting firms have large assets in this country, some of their securities are held by Canadian investors, and they employ Canadians. The contracting business is one of the few industries which receives no benefit from tariff protection. The ability of Canadian contracting companies is evident in their work, which is equal to that of any anywhere in the world. Those who argue that Canadian contractors have not sufficient experience or ability are grossly ignorant of the Canadian construction industry which has erected a large percentage of the biggest and finest buildings in the Dominion.

The Canadian contractors are virtually precluded from entering the United States field. They have carried on through many lean years, and have borne their share of the Dominion's burdens. With the advent of better times in the construction industry, these laborers are surely worthy of their hire.

## WHAT IT'S LIKE

THERE can be no doubt that the ultimate object of many of those politicians and newspapers that are now attempting to embarrass the Bell Telephone Company of Canada is public ownership of the telephone system of Ontario and Quebec and probably of New Brunswick and Nova Scotia, where affiliated companies operate.

If the results of public ownership of telephones in Britain are not enough to convince such dreamers of the futility of their scheme, perhaps the following news item, referring to the experience of Australia, where conditions are more nearly on a par with Canada, will prove of significance:

"The report of the Postmaster-General of Australia for the year ended June 30, 1927, indicates that the losses resulting from the working of the telephone and telegraph branches of his department amounted to £339,000 and £278,000 respectively."—Telephony, June 2, 1928.

# FOLKS and Finance

RECENTLY Robert F. Pack, of Minneapolis, was a visitor in Toronto, calling on brothers living in that city. He was making Toronto a brief point of call between Atlantic City, where he attended the National Electric Light Association Convention, and his home town in the West.

To-day Mr. Pack is one of the outstanding public utility executives of the United States. He is vice-president and general manager of the Northern States Power Company, that distributes electric energy and gas in five states, that supplies Minneapolis and St. Paul among other cities, and that has a revenue of $30,000,000 a year. A big job, it is evident. Yet not so many years ago Mr. Pack was an office boy in the Great Northwestern Telegraph Company office in Toronto.

Mr. Pack was born on the Isle of Wight, England, 54 years ago, and was educated by his parents for the British navy. But before he could be launched upon this career his parents migrated to Canada. Mr. Pack had three jobs in his life and the last two were offered to him. When he was still office boy with the telegraph company, he was offered a similar job with the Toronto Electric Light Company. He advanced very rapidly with this organization and when various executives of the Byllesby group of power companies in the states visited the Toronto enterprise they were so struck by the forceful young Englishman that they offered him a post on the other side of the line. He has grown with the Northern States Power group and is now the active executive head.

Last year he was president of the National Electric Light Association, which includes all the big light and power companies in the United States.

# POST-scripts

PERCHED high up on the huge generators, workmen in the Duke-Price power plant on the Grande Discharge River, watch daily a flow of motley traffic through the power house. "Contented" cows, heavily laden trucks, wagons, buggies, people on foot; in fact all modes of transportation are to be seen.

All this is mute evidence of the fact that corporations have "souls." When the Tache bridge below Isle Maligne, the only means of transportation across the river, was washed out in the recent flood, settlers in the Lake St. John district were in a quandary as to how to get back and forth. The Duke-Price people, by the exercise of considerable ingenuity, laid planks on the flooring of the power plant, which reached from bank to bank. Dirt was thrown on the planks to provide a good road bed. And until the new bridge is erected, settlers in the Lake St. John region will be able to go about their every day work without being inconvenienced by the lack of a bridge across the river.

# As Others See Us

### HOT SHOT FOR POST

Western Producer, Saskatoon: We like The Financial Post. There is a boyish freshness, innocence, and almost gaiety in the way it jumps to the defence of the profit system which allows the speculator to milk the industrial and agricultural cows. The readers of The Financial Post (all except the very few like ourselves who read it for amusement and as part of a psychological study) to a man, and to a woman, are engaged in the merry game of trying to get something for nothing by the smart manipulation of little pieces of paper, bought and sold on the advice of the masterminds, seers, tipsters and others who have an uncanny power of looking into the future. These tipsters, seers, and financial mediums sometimes give their readers a "bum steer" as they say down in Texas, but in general they know what's what, and can tell you where to put your surplus money, so that you can fold your arms and go to sleep in the full assurance of a resurrection some fine day with an accrued value to your little pieces of paper.

Our contention is that this "accrued value" does not come down from heaven, as the Manna fell upon the hungry Jews in days of old. This "accrued value" is not brought about by the creation of wealth due to casting seed into the prepared ground, but due to casting bread upon the waters of speculation.

If all speculators read The Financial Post, and followed its teachings and advice with infinite care, nobody would ever buy shares and nobody would ever sell any. Because when The Post said "Buy" those that possessed would shut up like clams. And when The Post cried "Sell," the buyers would all shut down the lids of their treasury chests. But fortunately for the game (or unfortunately, we don't know which) some get-rich-quick gamblers are not so well "Post-ed" as others, and so Sell when they should Buy, or Buy when they should Sell.

There is no difference in principle between the game of buying shares in an Oil Well or a Coal Mine, and buying a Ticket for a Raffle for a Set of Doyleys, organized by a charitable body for some righteous purpose, except that the latter being so nefarious is made illegal by law. If this Raffle is clandestinely held in spite of the law, somebody loses, and the accrued value which comes to the lucky winner is measured by the "accrued loss" out of the pockets of his fellow gamblers.

It is the same with all "Profit" as the term is used in political economy. It is brought about by a manipulation of wealth in some way or another which allows the manipulators to turn it over again perhaps in another form at a price which is higher than the actual cost of manipulating it.

Because we object to this manipulation for Profit, and prefer a system of Co-operation for Service, The Post pretends that we want to go back to the system of barter. Commenting on our article on Profit, The Post says: The United Farmers of Canada would "apparently abolish all middlemen and get down to a straight matter of barter. However, most people would prefer not to go back 1,000 years to the barter system."

We feel crushed by this rejoinder; overwhelmed by the appalling ignorance of the writer. The barter system of 1,000 years ago was not a system characterized by the fact that there were no "middlemen" but was a system characterized by the fact that there was no "money."

We do not wish to do away with Money, nor in fact with all middlemen. the Co-operative System has middlemen, but the middlemen get paid for their service and are not allowed to manipulate the goods and sell them for a profit. When Money was introduced to do away with the Barter System, its chief function was to facilitate the exchange of commodities. But so far have we travelled since that day, that the chief function of Money to-day is speculation, and this speculation with the medium of exchange is the poison which is at the root of all our troubles industrial, social, and agricultural. If The Post does not agree with us that Profit comes out of the pockets of "losers" we would like them to explain to us where it comes from.

# INVESTMENT in RESEARCH

By GEORGE L. MOORE,
Assistant to President, Sherman Engineering Corporation, in address to Toronto Lions' Club.

Research to-day is not something occult. It is not something for the high priests of science alone. It is the womb in which great new industries are born. It is systematic, organized investigation, leading to procedure based on facts instead of hunch. It is the means whereby more people are put to work at higher wages. The old-time industrial policy of cutting costs by cutting wages has proven itself as unsound as would be a medical policy of trying to cure a sick man by starvation. The inventor, the creator of new things, is the one who makes two or three blades of grass grow, industrially, where only one grew before. Research is the surest way for Canada to build industry that will attract the population so vitally needed. Research plays no favorites.

Three of the greatest industries—the electric light industry, the telephone, and the automobile—owe to Research a greater degree of their prosperity than the average man appreciates. An engineer has calculated that if the average business could get only 1/300ths of the results from Research that have come to the electric light industry, its profits could be increased 10 per cent.

Research is not only a means for safeguarding profits; it is the means whereby the public is served by better commodities at lower prices. To-day policies or practices economically subversive of public interest wither in the fierce heat of competition. Research provides the manufacturer with new products with which to regain slipping markets; shows better, cheaper ways of doing things. Research into distribution cuts the high costs of selling, which are a major problem in business to-day.

Research offers no choice—you either must take hold of it, and use it to the fullest possible extent in order to survive, or ignore it and perish.

# Other People's Views

### That LL.D. "Honor" to Col. Maclean

Kingston Whig-Standard: We note that some of our contemporaries rather take it as a great tribute and a decided honor to Col. J. B. Maclean, President of The MacLean Publishing Company, that Western University of London, Ont., has conferred upon him the Honorary Degree of Doctor of Laws. Our newspaper friends seem to regard this as a real "honor" to Col. Maclean and one that, as it were, "tops" all other honors. Frankly, we fail to see it that way. We do not see how the tucking on of an LL.D. to his name adds any particular weight, distinction or honor to such a man as Col. Maclean who controls some twenty-five Canadian magazines, newspapers, trade journals and annuals. He is not only a national but an international figure in journalism, whose staunch Imperialism as well as whose stalwart Canadianism, are known of all and an LL.D. added to that combination would seem to be about as weighty a thing as a fly on a monster locomotive wheel.

Of course to some people who hold honorary university degrees to be the "last word" we suppose these ideas of ours will be regarded as rank heresy, but just the same these are the ideas we do hold and we hope to continue to hold them. The giving of a degree to Col. Maclean was a very pleasing recognition but to say that it is an honor or to imply that it adds one whit to his stature or dignity or position is ridiculous.

### Col. J. B. Maclean, LL.D.

Ottawa Citizen.—When Western University of London, Ont., conferred the honorary degree of Doctor of Laws on Lieut.-Col. John Bayne Maclean, president of the MacLean Publishing Company, it honored itself as well as the foremost figure in periodical journalism and publishing in the Empire outside the British Isles. For it was fitting that a Canadian university should recognize in so appropriate and thoughtful a manner the valuable efforts of one engaged in promoting a truer Canadianism outside the field of formal education.

Col. Maclean presides over the enterprising concern which now controls some twenty-five purely Canadian magazines, newspapers, trade journals and annuals. This position gives to him a power in the land which might be wielded menacingly in less responsible hands. But Col. Maclean has used that power wisely and discriminatingly, with always the objects in view of helping to create a more vigorous and independent Canadianism, and of improving the standards of life and the activities which go to make it up.

The acquisition of such an influential group of national publications, however, has not been an easy task. Perhaps no publisher under the British flag has faced such odds as Col. Maclean. For he has had to build up his undertakings under the constant impact of competition from the United States, and Canadians need no explanation of the force and character of that competition. It is a high tribute to his tenacity of purpose and business insight that he has succeeded so remarkably. The Citizen joins in congratulating Col. Maclean on the well-deserved honor Western University has bestowed upon him.

### Citizenship and Character

The Globe, Toronto: Western University, London, made a happy choice when it decided to confer the degree of Doctor of Laws on Lieut.-Col. John B. Maclean, head of the MacLean Publishing Company. As a publisher Col. Maclean is in a class by himself, and the service which he renders through his twenty-five or more trade journals and magazines is leaving a deep imprint on business and the general public. It required indomitable perseverance to build up his various enterprises in the face of heavy competition. In this as in all his contacts with the public he has exemplified the type of citizenship and character which merits the highest honor a university can bestow.

# "Stop Me If You've Heard This One"

An Oxford undergraduate, a son of the vicarage, discovered that he was uncomfortably short of doubloons so he spent some time concocting a letter which should have the right effect upon a somewhat severe and pious parent. When finally completed, the letter read as follows: "My dear Father, I wonder if you will oblige me very greatly by sending me a copy of this month's Parish Magazine, also a five-pound note. P.S.—Don't forget the Parish Magazine."


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HAMILTON LONDON KITCHENER WINDSOR


# Conferences

The Northwestern Miller

May I see Mr. Jones?
Not until eleven o'clock.
Is he in conference?
No, he is busy.
—Modern Wheeze.

One of the most worshipped and worshipful gods of business is in danger of being bowled over. Mr. Bertram R. Brooker, writing in Printers' Ink Monthly, estimates that one hundred thousand executives in the country spend two hours per week in conference. This, he reckons, amounts to twelve hundred years, twelve centuries, —a span difficult to comprehend measured in terms of world change,—and nearly all of it wasted in conferences.

The typical conference, according to Mr. Brooker, is discursive, repetitive and muddled; it is colored by personality and temperament, and disordered by interruptions and side issues. Time is wasted, things are not remembered, chatter and atmosphere are not productive of new ideas, decisions are warped by eloquence, sentiment and the desire to flatter superiors and placate juniors. Conferences are, to summarize, part pose, part gesture and largely no good.

The indictment is doubtless too broad. Yet how much of it may be wholly disputed? Some conferences, limited to those vigorously kept in hand by the old man of the shop, no doubt are useful in maintaining contact among the essential parts of the organization. These however, are not real conferences in the modern sense. The fashionable and thoroughly up-to-date conference is a matter of hours devoted to threshing over old straw, to wise looking down noses, to moving eloquence, to posing,—but why seek to improve upon Mr. Brooker's adjectives?—discursive, repetitive and muddled.

"Abolish the conference," says Mr. Brooker, and adds as a subtitle to his article "a plea for secluded thinking." Much merit to this without a doubt. Yet it seems rather a pity. The conference is blood, bone and sinew of our younger and brighter minds in business. How can "reactions" be determined, "positive appeals" be set up, "consumer resistance" broken down and the prospect "sold" without the "conference"? Business is, indeed, likely to come to a pretty pass if this god of the whole machine is to be discarded. What fun, now, would there be for captains and kings, or even for the corporals and privates, if they could not cloister themselves and sit, mantled and wrapped in thought, in conference? Have you, Mr. Brooker, no pity?

### "Chairman of the Board"

American Banker: The happy invention of the title "Chairman of the Board" has facilitated and made easy the merger problem. A dozen years ago, and less, such an officer did not exist. To-day almost every bank of importance has its chairman, and some have chairmen of important committees. The bestowal of these titles is not an empty honor. They go to men who are veterans in the service, and afford opportunities for promotion to younger executives deserving of them. In consolidations they remove natural feelings of jealousy by giving recognition to trained executives whose services are essential to the combined institution. The original inventor of the title is not known, but he should step forward to receive his own decoration.


Government, Provincial Municipal and Corporation Securities

INDUSTRIAL FINANCING

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LIMITED
BANK OF TORONTO BUILDING
TORONTO



Keep in Line on Curves — Don't Try to Pass

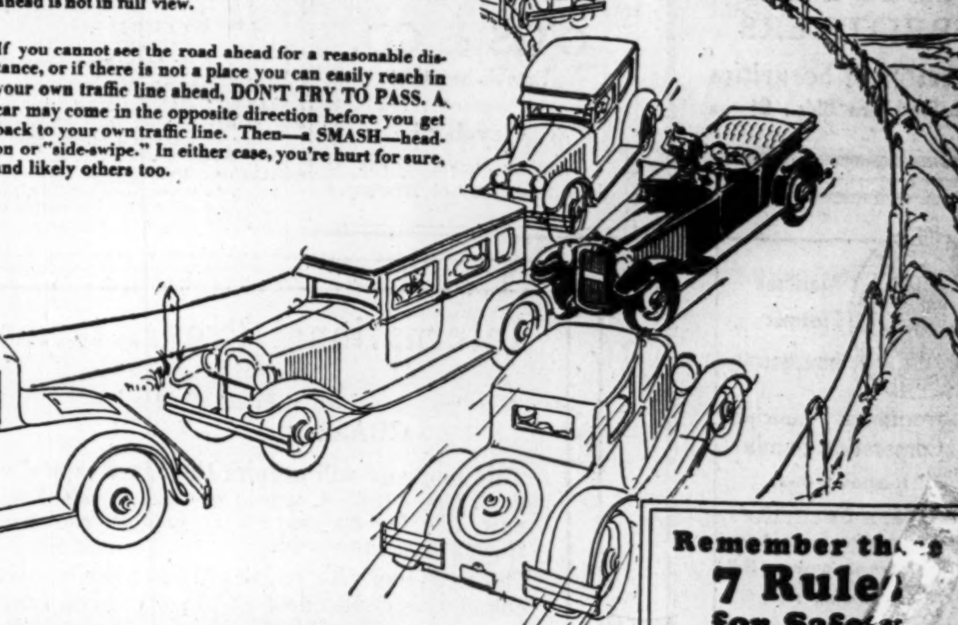
CARE COURTESY COMMON SENSE

Don't risk your life on the left side of the road when you cannot see what is coming.

WHAT would you think of a railway engineer who swerved to the rails bearing traffic the opposite way? and then suppose he could not see the head-on traffic!

That is exactly what you do when you attempt to pass another vehicle on a curve, near the top of a hill, at an intersection or at any other place where the road ahead is not in full view.

If you cannot see the road ahead for a reasonable distance, or if there is not a place you can easily reach in your own traffic line ahead, DON'T TRY TO PASS. A car may come in the opposite direction before you get back to your own traffic line. Then—a SMASH—head-on or "side-swipe." In either case, you're hurt for sure, and likely others too.



Highways will be more crowded this year than ever before. There has been a big increase in Ontario-owned cars. A bigger tourist traffic is expected. At times last year there were 800,000 cars on the streets and highways of the Province.

In the face of this increased traffic, the Highway Safety Committee again urges the co-operation of all motorists and pedestrians in an effort to lessen accidents. Both must become "traffic conscious"—aware of the danger which arises from inattention or failure to exercise Care, Courtesy and Common-sense. When driving or walking on streets and highways help in this movement to make Ontario's highways more safe.

Remember these 7 Rules for Safety
1. Have your car in perfect mechanical shape—particularly Brakes, Steering Gear and Head[illegible]
2. Give your undivided attention to your driving. In passing traffic, be sure there is a place for you in the traffic line ahead.
3. When other motor vehicles try to pass you—let them pass.
4. In entering main streets or highways, or in approaching a railway crossing where a clear view of the track is obstructed, stop and look.
5. Don't "loaf" where traffic is heavy.
6. Always signal before you slow down, stop or change your course.
7. Never back up before ascertaining that the road behind is clear.

Highway Safety Committee

EXECUTIVE COMMITTEE
Chairman—HON. GEO. S. HENRY, Minister of Highways
Secretary—J. P. BICKELL, Registrar of Motor Vehicles
BRIG.-GEN. D. C. DRAPER, Chief of Police, Toronto; W. G. ROBERTSON, Sec. Treas. Ont. Motor League; THOS. MARSHALL, Sec. Ont. Ass. Boards of Trade; R. M. SMITH, Deputy Minister of Highways; J. MILLER, Sec. Border Cities Chamber of Comm.; J. F. H. WYSE, Sec. Ont. Safety League; M. K. CARRUTHERS, Sec. Ottawa Bd. of Trade; MAYOR J. WILSON, Gananoque; WM. MORRISON, Controller, City of Hamilton

# Background of Business

## Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

**Encouraging Crop Reports Improve Business Outlook**
**Volume of Manufacturing Shows Further Improvement**
**Iron and Steel Production Gains Heavily in May**
**Wholesale and Retail Trade Experiencing Betterment**
**Sustained Buying Power Reflected in All Areas.**

THE volume of merchandise moving into consumers' hands, indicates that business in Canada this year is as active as during the first half of 1927, with increases in many instances. As far as can be determined from current indices, activity appears to be from 10 to 20 per cent. more extensive. Naturally there are a few industries which have not shared in the general advance, but taking conditions as a whole, the current position is an unusually satisfactory one.

Despite the transaction of a large volume of business, however, there is apparently no corresponding increase in profits. Competition continues exceptionally keen in virtually all lines of trade and producers expect an increase in earnings through volume rather than high profits on a unit basis.

Buying is well sustained in all lines and the turnover of merchandise and demand for supplies denotes developments are proceeding along satisfactory lines. In particular has there been a well sustained buying of merchandise. This has been due to the steady employment of a larger number of workers with no appreciable lowering of wages or salaries and the vastly improved financial status of the farmer.

### Optimistic Crop Reports

There has been a favorable reaction to the exceptionally optimistic crop reports coming out of the West. As is usual at this time of the year many reports, ofttimes at variance, tell of the progress of the new crop. This year there has been a uniformity of opinion which bodes well for the final outturn. So far the growing weather has been all that could be desired. Provided that there is a normal rainfall during the growing period, the yield this year should be one of the largest, if not the largest, ever recorded.

Coming on top of three other good crop years, the effect of this upon the business throughout the Dominion can well be imagined. The farmers are now in a better financial position than possibly even in the war years when high prices prevailed for wheat. The old debts acquired during the lean years of 1921, 1922, 1923 and 1924 have been virtually wiped out. Consequently revenue received by the farmer in the past three years has been largely used in buying new equipment, renovating and erecting buildings and generally making improvements to his property.

### New Buying Power

In such industries as farm machinery, hardware, tools, paint, lumbering, etc., the effect of this increased buying power is to be clearly seen. It is an undoubted fact that the volume of buying in rural communities, particularly in the West, has been higher this year than in either 1926 or 1927 which were considered as above average. Furthermore, the stronger cash position of the farmers has enabled them to take delivery of their purchases on cash basis, rather than on notes and liens which has been so common in the past.

If the crop this year comes up to expectations, and there is a good likelihood of such an event, the volume of new business will reach a height hitherto unrecorded. Conditions have been good in the past three years, but another large yielding crop will result in a period of tremendous prosperity.

Further, the maintenance of activity in many of the leading basic industries, ensures for some time to come, steady employment conditions and the resultant maintenance of purchasing power among workmen. The iron and steel plants are operating at or near capacity. Large orders have been received and considerable new business is in sight from the railways, contractors and other consumers. Mining, railway, and building developments are taking a large volume of supplies and undoubtedly will be in the market continually until well on into the fall months.

### Iron and Steel Active

The production of iron and steel last month serves as a good indice of manufacturing activity. Pig iron produced in May totalled 87,811 tons, an increase of 18 per cent. over the 74,736 tons of the preceding month and compares with 78,987 tons produced in May last year. Output of steel last month amounted to 117,655 tons, an increase of 4 per cent. over the 112,780 tons of April and 22 per cent. over the 96,711 tons produced in May, 1927.

Cumulative production of pig iron for the five months ended May last was 370,634 tons. This compares with 334,276 tons produced during the corresponding period of last year. At the same time the output of steel totalled 531,808 tons, an increase of 24 per cent. over the 427,370 tons produced in the same five month's period of 1927.

At the present time there are eight blast furnaces in active operation, representing a daily capacity of 3,150 tons or 63 per cent. of the total capacity of all furnaces in Canada. Further, it is interesting to note that the monthly production of pig iron this year is the fifth highest for the past thirteen years, whilst that of steel is the third highest in the same period.

### Trade is Optimistic

These conditions are reflected in a generally cheerful feeling as regard's the future of wholesale circles, although in but few lines, as usual at this period, is there any special activity. At the moment, Dun's report that orders are small in amount and of a replenishing character, aside from the large shipments of groceries and other seasonable supplies that are being made to summer resorts by some houses.

One of the most encouraging features of the situation is the increasing interest that is being demonstrated by both city and country merchants in the matter of providing for fall and winter requirements, the unusually early appearance of numerous buyers in the principal markets and the freedom with which many are placing orders for future delivery indicating that much more confidence in Canadian business prospects exists than was the case a year ago.

At the same time the stock markets are unsettled. There is no evidence to indicate that the decline in prices is a reflection of business conditions. Rather is it a technical decline, brought about largely by the call money situation many small speculators in the present market have, generally speaking, suffered heavy losses.

With exception of the newsprint industry, there is nothing to indicate that the companies, whose stock is being traded in the different exchanges, have experienced any setback. On the other hand, there is plenty of evidence to show that the majority of industrial companies have a large volume of business in hand and that their earnings are being well maintained.

The reaction in the stock markets, however, has relieved considerably the anxiety of the banks over undue speculation. Canadian banks now have larger supplies of credit than in many years past. In addition savings have steadily increased and are at record levels. Accordingly the supply of credit available is more than sufficient for normal requirements.

## Agricultural Survey

**Outlook Very Promising**
**Plenty of Moisture**
**Wheat Market Fair**
**Dairy Prices Strengthen**

CROP conditions in the West at present are above the average. In the eastern provinces the situation is not so favorable, but taking the country as a whole prospects are more encouraging this year than they have been for some time past.

Reports from the West indicate that the recent rainfalls have greatly aided the crops. The young grain is uniformly strong and vigorous. No damage from worms or grubs has been reported so far. This is considered as exceptionally fortunate in view of the dry spell toward the end of May and the first part of June. Furthermore due to lack of moisture in the early spring weed seeds did not germinate, so that grain now has a good start over any possible weed growth that may develop.

Both Manitoba and Saskatchewan report the crops coming along rapidly and giving promise of better than average yield so long as a dry spell is not experienced during the growing period. Both these provinces, as well as Alberta, report plenty of moisture which, together with the cool weather, has enabled the grain to take good root with a strong and healthy stand.

### Big Fruit Crop

Present indications point to a big fruit crop in British Columbia. Cherries and soft fruit are well formed and promise both quality and quantity. While there is a big set of fruit, the final result will not be known until after the June drop, which will be over by this week-end. Judging from present conditions this will be heavy and thereby saving a great deal of thinning-out.

Weather conditions in the Eastern provinces have been more favorable during the past week or ten days. Warmer weather is badly needed in many parts of Ontario. Seeding is not yet completed but what grain that has appeared above the ground looks favorable. Conditions in Quebec are still somewhat backward. The past week has been exceptionally warm and should prove beneficial to the growing crops. There is still a certain amount of seeding to be done.

Seeding and planting is virtually completed in the Maritimes. Work on the land got away to a late start this year and though recent rainy weather has proved helpful to pastures, stock and the hay crop, planting in heavy soil has been held up. Orchards and garden fruits in many districts are late in blossoming but give promise of a good yield.

### "Bull" News Reflected

"The "bullish" wheat crop news from Western Canada has reflected itself in the grain markets by a downward trend in prices. As far as can be judged by current statistics, the market for wheat this fall should be a satisfactory one. Stocks are being rapidly depleted, both on account of millers and exporters. The flour mills this year have been more active than for some time past, production being the highest in the last three years. There also has been a good demand from European importers, whilst the Oriental market is taking a larger quantity of Canadian wheat and wheat flour this year.

Apparently the enforcement of the Lenroot Act in the United States, in respect to imports of milk and cream from Canada has not had a very serious effect on the dairy industry of Ontario and Quebec. It is still early to discover any marked change. The Ontario Department of Agriculture, however, reports that owing to the strong demand and relatively good prices for dairy cows, an increased interest is noticeable in many of the eastern counties. The situation is also being affected by improved prices for milk and for cheese production.

As pointed out last week foreign demand for cheese has been good this year and prices are higher to-day than they were a year ago. While exporters are taking as large quantities of butter, the domestic demand has improved to such an extent that higher prices are prevailing. The outlook appears to be better for the dairy industry.

## Canadian Business Indicators

**Compiled Weekly by The Financial Post**

| | Latest This Year | Latest Last Year | Cumulative for Year This Year | Cumulative for Year Last Year |
|---|---|---|---|---|
| | | Weekly | | |
| Car Loadings (June 9) | 66,442 | 62,753 | 1,459,905 | 1,389,337 |
| Stock Index | 382.6 | 177.3 | ...... | ...... |
| (Traders—June 14) | | | | |
| C.P.R. Gross Earnings (June 14) | $ 3,915,000 | $ 3,240,000 | $ 85,945,000 | $ 78,010,000 |
| C.N.R. Gross Earnings (June 14) | $ 5,030,679 | $ 4,488,173 | $ 110,916,782 | $ 103,203,799 |
| **Production** | | Monthly | | |
| Pig Iron, tons (May) | 87,811 | 78,987 | 370,634 | 334,276 |
| Steel, tons (May) | 117,655 | 96,711 | 531,808 | 427,370 |
| Newsprint, cwt., (May) | 203,811 | 171,819 | 970,975 | 826,083 |
| Automobiles (April) | 24,240 | 24,611 | 62,685 | 81,892 |
| Boots and shoes, pr. (Apr.) | 1,538,032 | 1,450,672 | 6,176,583 | 5,892,265 |
| Flour, bbls. (Feb.) | 1,464,426 | 1,231,000 | 3,048,210 | 2,727,000 |
| **Construction—** | | | | |
| Building Permits (April) | $ 18,527,846 | $ 17,312,470 | $ 51,480,102 | $ 42,340,823 |
| Contracts (May) | 70,684,100 | 65,676,700 | 196,331,200 | 158,013,400 |
| **Labor—** | | | | |
| Employment Index (May) | 105.5 | 100.6 | ...... | ...... |
| **Trade** (April)— | | | | |
| Imports | $ 78,490,470 | $ 74,297,628 | $ 364,458,469 | $ 338,427,096 |
| Exports | $ 58,975,315 | $ 77,327,964 | $ 337,079,554 | $ 345,571,370 |
| **Imports of Key Products—(Apr.)** | | | | |
| Rubber, lbs. | 4,340,099 | 3,380,355 | 21,884,215 | 22,008,355 |
| Cotton | 7,064,768 | 10,375,000 | 50,791,837 | 44,693,207 |
| Sugar, cwt. | 433,572 | ........ | 2,495,779 | ........ |
| Petroleum, gal. | 23,875,782 | ........ | 213,057,715 | ........ |
| Coal, tons | 2,929,112 | ........ | 6,737,106 | ........ |
| **Exports of Key Products—(Apr.)** | | | | |
| Newsprint, cwt. | 2,800,211 | ........ | 13,941,027 | ........ |
| Automobiles, No. | 2,597 | ........ | 11,413 | ........ |
| Wheat, bush., (May) | 30,281,712 | 28,698,115 | 90,870,195 | 89,267,495 |
| Wheat flour, bbls. | 886,220 | 804,468 | 4,171,222 | 3,770,970 |
| **Electric Power—Output—** | | | | |
| M. Kilowatt hours (Feb.) | 1,273,892 | 1,065,850 | 2,591,774 | 2,197,062 |
| **Population—** | | | | |
| Emigration (Apr.) | 5,205 | 6,225 | 19,202 | 21,516 |
| Immigration (Jan.) | 3,962 | 4,164 | 3,962 | 4,164 |
| **Finance—** | | | | |
| Failures, No. (Apr.) | 135 | 127 | 684 | 624 |
| Failures, Liabilities (Apr.) | $ 2,269,682 | $ 2,279,954 | $ 9,652,669 | $ 8,986,577 |
| Bank Debits (Apr.) | $3,298,074,573 | $2,639,971,080 | $13,014,578,801 | $10,152,246,224 |
| Bond Sales (May) | $ 104,664,900 | $ 42,700,616 | $ 220,673,746 | $ 210,620,936 |
| Insurance Sales (Apr.) | $ 46,718,000 | $ 41,631,000 | $ 179,072,000 | $ 157,025,000 |
| **Wholesale Prices** (1913-100)— | | | | |
| General Index (May) | 152.9 | 152.1 | ...... | ...... |
| Iron | 141.7 | 143.6 | ...... | ...... |
| Cotton, raw | 177.2 | 127.2 | ...... | ...... |
| Grains | 180.9 | 178.7 | ...... | ...... |
| Cattle | 148.3 | 133.9 | ...... | ...... |
| Rubber | 37.0 | 65.3 | ...... | ...... |

### May Canal Traffic Below Record Level of Last Year

From Our Own Correspondent

MONTREAL. — Traffic using the Sault Ste. Marie, Welland and St. Lawrence canals during May did not equal the records made in 1927.

According to a report issued by the Bureau of Statistics the Sault Ste. Marie traffic was lighter by 3,274,502 tons, due entirely to decreases of 2,621,782 tons of iron ore, 1,220,779 tons of bituminous coal and 96,394 tons of anthracite coal. Wheat shipments were heavier by 18,781,987 bushels and other grains by 2,992,728 bushels.

On the Welland canal the decrease was only 43,264 tons, or 4.2 per cent. under the record made last year. The only decreases of any importance were 60,083 tons of barley and 154,131 tons of rye. Wheat increased by 97,416 tons, or 3,247,200 bushels, and bituminous coal by 22,968 tons.

The decreases on the St. Lawrence canals was somewhat greater than on the Welland, the total being 55,861 tons, or 5 per cent. Barley was lighter by 67,066 tons, rye by 160,407 tons, pulpwood by 5,411 tons and petroleum and other oils by 9,013 tons. Wheat increased by 88,753 tons, oats by 11,928 tons, bituminous coal by 42,261 tons and sand by 12,206 tons.

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MONTREAL.—W. H. de Udy & Co., Limited, Toronto brokers, have opened a Montreal branch in the Confederation Building, under the management of Ben Rothschild.


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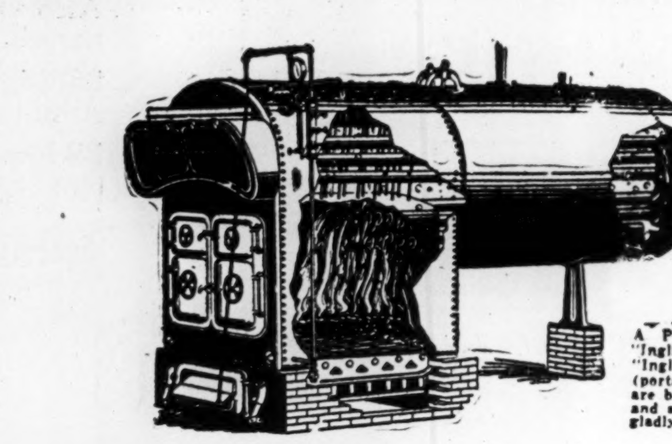

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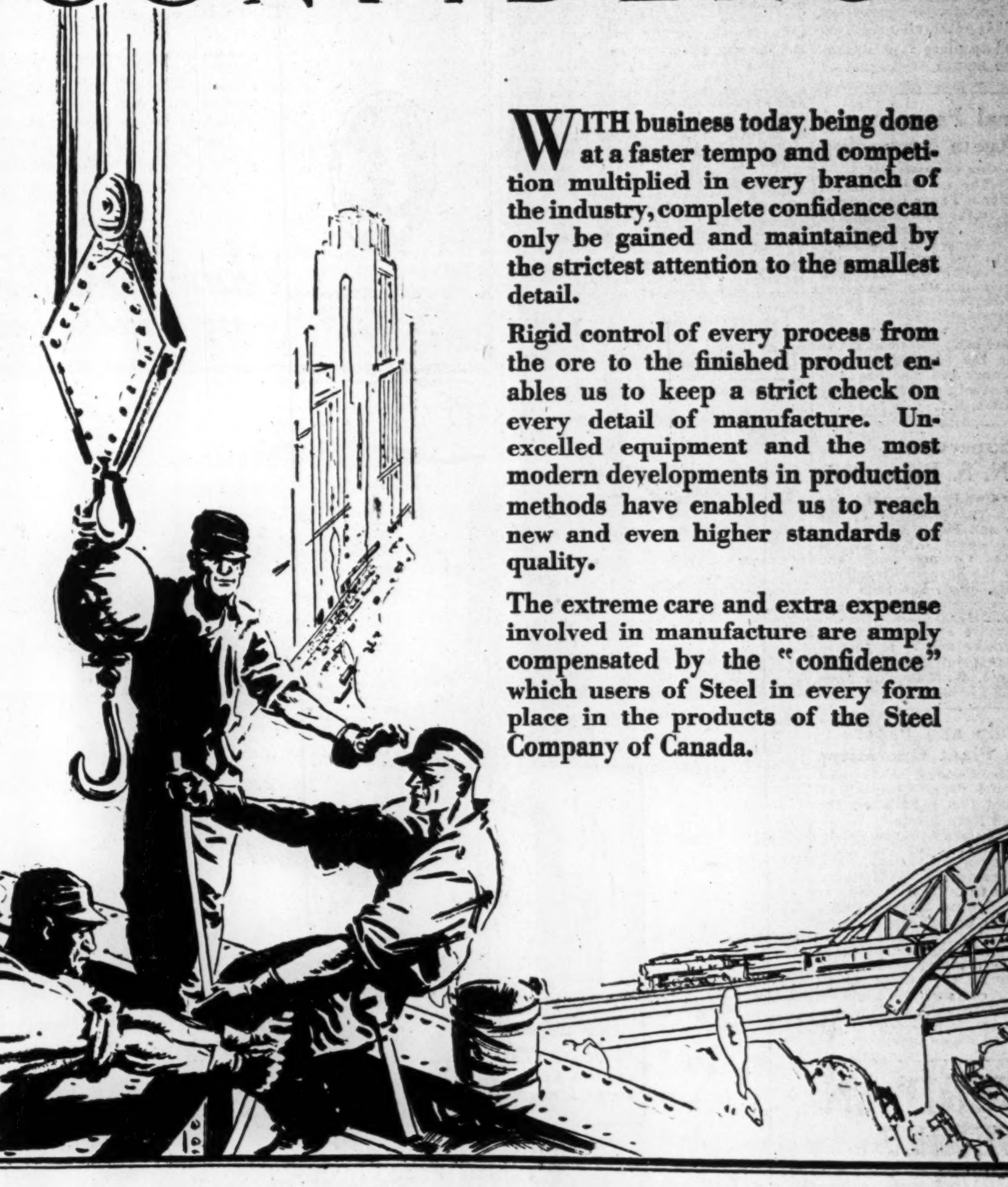

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# Pulp & Paper

## PAPERBOARD CO. REPORTS BIGGER GROSS AND NET

### Mills at Capacity—Sales Greater and Costs Lower

From Our Own Correspondent

MONTREAL.—Some of the features of the annual report of the Canadian Paperboard Company for the fiscal year ending March 31, last, include a larger output from the mills which operated at capacity throughout the twelve months; larger sales; lower costs; and increased gross and net profits. The balance sheet reveals also a strengthening in the company's liquid position.

The following figures compare the earnings of the company and its liquid position during the last two years:

| Years ended March 31, | 1928 | 1927 |
|---|---|---|
| Sales | $1,777,014 | $1,678,775 |
| Cost of sales | 1,489,188 | 1,446,679 |
| Gross profits | 287,826 | 232,106 |
| Interest earned | 23,436 | 15,220 |
| Gross earnings | 311,262 | 247,326 |
| Operating expenses | 113,234 | 108,639 |
| Bond interest | 54,431 | 49,852 |
| Bond disc. & taxes | 8,523 | 11,114 |
| Depreciation | 40,000 | 40,000 |
| Net earnings | 95,074 | 37,721 |
| Pref. divid. | 23,951 | 21,437 |
| Comm. | 33,508 | 42,010 |
| Surplus | 39,635 | 25,726 |
| Previous surplus | 64,173 | 89,899 |
| P. & L. bal. | 103,808 | 64,173 |
| Earnings on comm. | 3.39% | 0.78% |

| Working Capital Position | 1928 | 1927 |
|---|---|---|
| Current assets | $430,230 | $399,227 |
| Current liabilities | 228,861 | 265,701 |
| Working capital | 201,369 | 133,526 |

The bettered showing of the company has been achieved despite the construction of the new mill at Toronto which must have absorbed a portion, at least of the company's liquid resources. Changes in the balance sheet from a year ago include an increase in fixed assets, from $1,903,354 to $2,530,360. Bond discount has been reduced by ten per cent. and inventories also show a substantial decline. Loans made by the company have increased substantially, and cash account is in a stronger position.

**Changes in Liabilities**

In the liabilities, the funded debt has been increased from $730,300 to $890,000—doubtless to take care of the company's expansion program. The preferred stock outstanding has been increased from $325,000 to $347,500. Accounts payable have increased from a year ago, but the bank loan last year of $56,000 has been eliminated from the balance sheet.

**Remarks of President**

In presenting the report to shareholders, President J. G. G. Kerry says in part: "The report makes one of the most satisfactory showings that we have yet had to present to you.

"The three mills of the company have been operated to capacity throughout the 12 months under review, and gross production has been 30,770 tons as contrasted with 27,856 tons in the previous year.

"The mills have been more skillfully operated during the past year than at any other time in their history, and this fact accounts for the satisfactory financial showing made in the face of very active trade competition. The most noteworthy undertaking of the company during the year has been the establishment of a new mill in Toronto. Construction on the new unit is now well advanced, and it is hoped to place it in operation during the month of August of this year."

## International Paper Is Again Expanding

From Our Own Correspondent

MONTREAL.—The steady expansion of the International Paper Company is being continued in the United States as well as in Canada. The company has just acquired the Southern Paper Company which owns and operates a pulp and kraft paper mill of 100 tons daily capacity at Moss Point, Miss. To acquire the property, the International Paper issued an additional $4,238,400 in 7 per cent. preferred stock, which brings the outstanding 7 per cent. preferred of the company up to the $99,129,500 mark. International Paper has also acquired another newsprint mill of 170 tons daily capacity at Pyrites, N.Y.

## Jones to Supervise New N. S. Paper Mill

From Our Own Correspondent

MONTREAL.—The president of the Canadian Pulp and Paper Association, Colonel C. H. L. Jones, O.B.E., has resigned from the vice-presidency and managership of the Spanish River Pulp and Paper Mills, which has been consolidated with the Abitibi Power and Paper Company. Colonel Jones, it is understood, will move shortly to Liverpool, N.S., where he will be associated with the new newsprint mill now under construction by I. W. Killam in Nova Scotia.

## Macleod Pulp and Paper Resume Plant Operations

Operations have been resumed by the Macleod Pulp and Paper Company at Rapid Falls and Cowie Falls on the Mersey River in Nova Scotia.

The plants had been idle for nearly a year and a half and of late have undergone extensive renovations. The output of mechanical pulp is about forty-five tons a day. The company is well supplied with wood, both mills having raw material enough on hand to last them for a year. Contracts are reported to have been signed with English paper manufacturing concerns to take practically all the output which will be shipped overseas for the balance of the year. Frank J. G. Barnjum, of Annapolis Royal, is president of the Macleod Pulp and Paper Company.

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## SPECULATORS FEEL MIGHTY OPTIMISTIC NOW ON BROMPTON

### Dominion Securities Holds Stock at Better Than Market Price

From Our Own Correspondent

MONTREAL.—Some speculators are figuring on a little rise in the shares of Brompton, which have gone as low as $45 a share. Some time ago, the company decided to revamp its capital structure by calling its bond issues and by redeeming a large proportion of its 8 per cent. preferred stock at $133.50 per share. To accomplish the capital reconstruction, Brompton issued a further 150,000 shares of no par value common stock which was offered to the shareholders at $53 a share. The company entered into an agreement with the Dominion Securities Corporation, whereby the investment house would purchase all the additional offering of common shares not taken up by the shareholders. Obviously, due to market conditions, the Dominion Securities will have to absorb a large proportion of these shares. Dominion Securities agreed to pay $50 per share—a figure higher than present market prices.

**Should Sell Over $50**

It is apparent therefore, that the investment house believes that on its earning power, the shares should sell on a better than $50 a share basis—an expectation shared by some speculators now holding the stock.

Upon the completion of its refinancing, the company will have outstanding no bonds, a small proportion of its 8 per cent preferred stock, and 300,000 common shares of no par value which will require annual dividends of only $600,000, as against $925,000 which has been required in the past to meet bond interest, sinking fund, preferred and common dividends. Thus, the general financial position of the company has been much strengthened.

Brompton has sold its entire output to the Hearst papers in the United States. This allows its newsprint mills to operate at capacity. Should price cutting take place in the newsprint industry, Brompton would probably have again next year to take a lower price for its newsprint, but what the company might lose in lower prices, should in a measure, be offset by the increased scale of its operations.

The offer to redeem the preferred shares of Brompton at $$133.50—a 6 per cent. basis—is good until July 15 next. In the first four months of the current year, the company earned $115,000 more in net profits than in the corresponding period of 1926, despite the fact that during a portion of this time, when the company was selling through the Canadian Newsprint Company, the mills were not running to capacity. Brompton is now selling around $48 a share.

## BELDING-CORTICELLI EXPECT GOOD YEAR

### Common Stock is Currently Selling Ten Points Over Par

From Our Own Correspondent

MONTREAL.—With general conditions favorable for the development of better business in which the silk industry should share, Belding-Corticelli, Ltd., is experiencing improved trade and the outlook is for a successful year.

Those in close touch with the operations of the company state that it is anticipated that earnings for the first half of the fiscal year, which came to an end with the close of May, will probably be slightly in excess of the figures for the corresponding period of last year.

The securities of this company are closely held. The preferred shares of Belding-Corticelli are selling in the vicinity of 105. The common stock is currently selling at 110, upon which a dividend of 6 per cent. is being paid. These securities are listed on the Montreal Curb Market, but the directors are considering the advisability of having them listed on the Montreal Stock Exchange.

Earnings of the company amounted to $10.11 in 1927, $6.80 in 1926, and $20.80 in 1925 on each share of common stock outstanding.

## *Canada Dominates World in Newsprint Production*

From Our Own Correspondent

MONTREAL.—Canada supplies about one-third of the total world's supply of newsprint paper and fills over half of the world's export requirements, according to figures furnished by the Newsprint Service Bureau. The figures of world production, exports, imports and home consumption which follow, show the predominant part played by the Dominion in the industry as a whole; they indicate, also, how important it is for the Dominion to do all within its power to prevent further price reductions in newsprint as such price reductions would merely reduce the national revenue without affording a corresponding benefit to other domestic businesses:

| Country | Production | Imports | Exports | Balance at Home |
|---|---|---|---|---|
| Canada | 2,087,000 | ...... | 1,882,000 | 205,000 |
| United States | 1,486,000 | 1,986,000 | 12,000 | 3,460,000 |
| Great Britain | 615,000 | 291,000 | 98,000 | 808,000 |
| Germany | 565,000 | 1,000 | 138,000 | 428,000 |
| Sweden | 239,000 | 4,000 | 192,000 | 51,000 |
| Japan | 246,000 | 13,000 | 32,000 | 227,000 |
| Newfoundland | 203,000 | ...... | 189,000 | 14,000 |
| Finland | 200,000 | ...... | 172,000 | 28,000 |
| Norway | 192,000 | ...... | 190,000 | 2,000 |
| France | 121,000 | 150,000 | 11,000 | 260,000 |
| Netherlands | 77,000 | 28,000 | 36,000 | 69,000 |
| Italy | 42,000 | 13,000 | 3,000 | 52,000 |
| Belgium | 50,000 | 10,000 | 7,000 | 53,000 |
| Austria | 55,000 | ...... | 36,000 | 19,000 |
| Czechoslovakia | 45,000 | ...... | 19,000 | 26,000 |
| Russia | ? | ? | ? | ? |
| Spain | 25,000 | 12,000 | ...... | 37,000 |
| Estonia | 21,000 | ...... | 18,000 | 3,000 |
| Denmark | 16,000 | 10,000 | ...... | 26,000 |
| Poland | 17,000 | 3,000 | ...... | 20,000 |
| Mexico | 14,000 | ...... | ...... | 14,000 |
| Latvia | 3,000 | 3,000 | ...... | 6,000 |
| Total | 6,319,000 | 2,524,000 | 3,035,000 | 5,808,000 |

## BOARD COMPLETES LIVESTOCK STUDY

### Saskatchewan Issues Printed Report Covering Many Problems

From Our Own Correspondent

MONTREAL.—An exceedingly valuable report on the packing industry has been prepared by the Saskatchewan Overseas Marketing Commission and issued in book form by the Saskatchewan Department of Agriculture. This report contains the results of the investigatory tour inspired and financed by the Saskatchewan Agricultural Research Foundation.

Containing more than four hundred pages, with various maps and photographs relating to the matters investigated by the commission overseas, the report deals fully with the matter of marketing, particularly co-operative marketing, of Saskatchewan's surplus farm produce. Thorough consideration is given all the questions which the commission was instructed to probe, and all the evidence leading to the recommendations made, is given in full.

The printed report is divided into two parts, the first relating to the swine industry and the second to the cattle industry. A summary of the work accomplished by the commission would be too long to reproduce here, but such chapter headings as "Finance," "Problems of Transportation," "Economic Conditions in European Agriculture," "Some Special Problems in Marketing and Packing," give some idea of the comprehensiveness of this report.

The commission, which was engaged for approximately three months of last year in its investigation, consisted of Dr. W. W. Swanson, University of Saskatchewan; R. A. Wright, Drinkwater; Ed. Evans, Moose Jaw; P. J. Hoffman, Annaheim and W. Waldron, director of the Co-operation and Marketing Branch, secretary.

## Manitoba Paper Has Larger Wood Supply

From Our Own Correspondent

MONTREAL.—The Manitoba Paper Company, the wholly-owned subsidiary of the Abitibi Power and Paper Company, this year secured additional cutting rights which increased the capacity of the company's timber reserves from 2,500,000 cords to 6,000,000 cords. The company's $4,000,000, 6½ per cent, first mortgage bond issue was offered publicly in 1926. Ranking junior to the bonds there is a $4,800,000, 8 per cent., cumulative preferred stock which has been called for redemption. The mills are in an advantageous position to supply newsprint to the middle western states.

## B. C. PULP HAS SPENT $377,298 IN EXPANSIONS

### During Past Year Has Added New Equipment and Improved Product

From Our Own Correspondent

MONTREAL.—The B. C. Pulp and Paper Company during the past year has made material improvements at both its Woodfibre and Port Alice plants. The output of both mills has been increased and various economies have been effected in their operations. The third plant of the company at Swanson Bay is not being operated. B. C. Pulp manufacturers both bleached and unbleached pulp and has steadily been improving the quality of its products, in addition to increasing its daily output.

During the past year, $377,298 was spent on capital account. At the Woodfibre plant on Howe Sound, a tunnel was constructed to tap Henrietta Lake to increase the plant's water supply. New hydraulic presses costing some $30,000 were installed in the machine room. Many other improvements and betterments were made both to the mill and to the town site adjoining the plant.

**Improvements at Port Alice**

At the Port Alice plant, located on the northwestern coast of Vancouver Island, the capacity was increased by the construction of a new digestor. Additions were made also to the digestor house to accommodate the new unit. The screen room was remodeled and a new wet machine and new hydraulic presses were installed in the machine room. The capacity of the water system was also increased to allow the installation of additional bleaching equipment, as this mill specializes in bleached sulphite. Additional power was also provided by the installation of a 2,000 k.w. turbine.

**Capacities of Mills**

The Woodfibre plant now has a capacity of 120 tons of easy bleaching sulphite pulp. The Port Alice plant turns out 110 tons of bleached sulphite per day. The idle Swanson Bay plant is a combined shingle, lumber and pulp mill, with a capacity of 40 tons daily.

The three plants originally began operations as separate enterprises, but were consolidated into the Whalen Pulp and Paper Company. Later, due to financial difficulties, the project was reorganized into the British Columbia Pulp and Paper Company.

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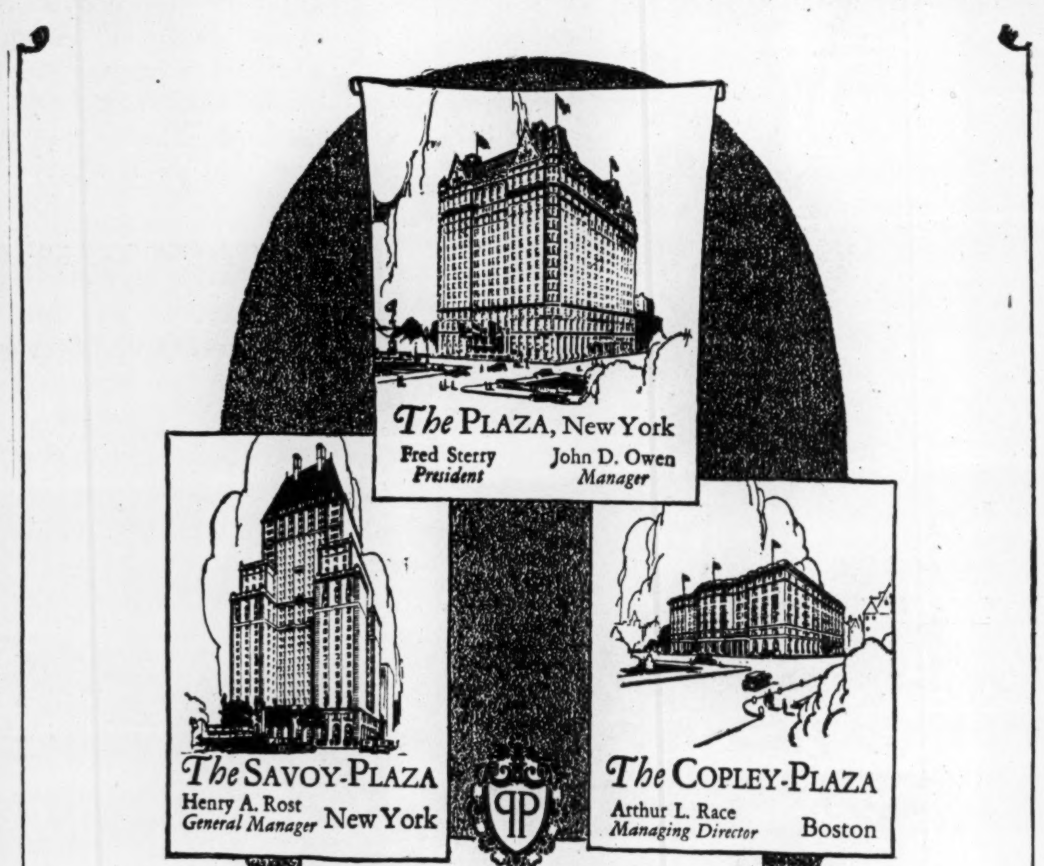

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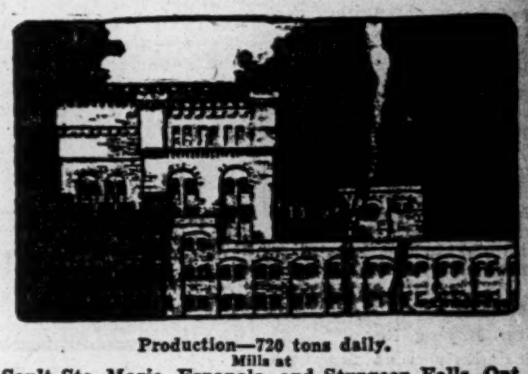
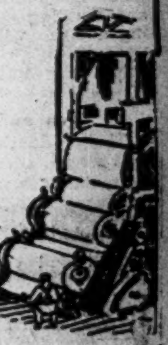

Production—720 tons daily.
Mills at
Sault Ste. Marie, Espanola, and Sturgeon Falls, Ont.

The
Canada Power & Paper
Corporation
Total Daily Capacity of Plants: 1250 Tons of Newsprint.
Also producing fine and kraft papers, paperboard, paper boxes, paper bags, paper specialties, and sulphite, kraft and groundwood pulps.
Successor and Operating Company of:

Belgo-Canadian Paper Company Limited
Laurentide Company Limited
St. Maurice Paper Company Limited
Canada Paper Company

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# Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

### Building Products

How are the shares of Building Products regarded?

Building Products is an interesting long hold for a business man.

### Power Corporation

I have a material loss on the common of Power Corporation. How do you regard the stock?

It can only be regarded as a long hold stock at any price. Ups and downs of ten points in this stock mean nothing. They simply reflect the general market situation. As a long hold for a business man the stock is attractive.

### National Utilities Corp.

We would be pleased to have your opinion in regard to the National Utilities Corporation, Limited. That is, their twenty year first mortgage bond, series "A," 6 per cent.

The National Utilities Corporation twenty-year first mortgage bonds are secured by a first mortgage on all the assets of the company, which are stated to be twice the value of the bonds themselves. Based on operations' reports on the two plants now in operation, the company should be able to earn handily bond interest and sinking funds.

### Canadian Dredge

Could you give me any information in regard to Canadian Dredging common stock now selling at about $41. A client has been urged to buy this stock and would like some independent, dependable advice.

The common stock of Canadian Dredge & Dock is an attractive speculation. We understand that the company has orders ahead to last for some time and with the probability that there will be considerable harbor and channel improvements on the Great Lakes in the next few years, it is likely that the company will have plenty of work. It is stock which, of course, must be watched rather carefully because, while contracts often are highly profitable, there are inevitable periods when the companies engaged in this line of business are virtually inactive.

### Commerce Bldg.

I note in your recent issue that you do not recommend Commerce & Transportation preferred stock as a safe investment. A friend of mine holds this stock and also a letter that they will refund the money any time desired. Why in your opinion is it not safe and where is the possible risk?

We think that investors should note particularly that the company which will own the building is not the same company in which stock has been sold until very recently. If G. A. Stimson & Company, Ltd., agrees to purchase back stock at the price paid, we believe that the investor who does not wish to take a speculative chance would be wise in accepting their offer.

The Financial Post is strongly of the opinion that investment in the Commerce & Transportation Building is far from conservative. The investor, we believe, would be wise in purchasing some other securities about which there is no question. It is better to buy a stock which promises less but which may give more. The 7 per cent. yield in these days of declining interest rates undoubtedly is attractive, but it should be pointed out that the directors of the company will not be able to declare and pay a 7 per cent. dividend, unless that dividend is earned. Until the Commerce & Transportation is completed and fully rented, it is not possible to say whether or not the preferred dividend on $3,000,000 of preferred stock will be earned.

### Vitomen Cereals, Ltd.

I have a friend who bought 500 shares of Vitomen Cereals, Ltd., of Vancouver. He is hard up and wishes me to buy them from him at $1 the share. Do you think it would be a good investment?

The company in which you are asked to buy stock, Vitomen Cereals, Limited, of Vancouver, has yet to prove itself on so many points that the investment must be considered highly speculative.

### Asbestos Corporation

I have heard that Asbestos common is a good purchase at its present level for appreciation. Let me have a word from you, please, on the possibilities of the stock.

In view of the dominant position occupied by the Asbestos Corporation, the company should in the long run do much better than it has done in the last two years. However, it is only fair to say that you might be able to pick up this stock a year hence at just as satisfactory a price as at the present time. In other words, the immediate outlook for the shares is not particularly attractive.

### Dryden Paper

How is Dryden doing at the present time? I think the shares are a jolly good buy right now. Do you?

We are confident that the Dryden Paper Company is making good operating profits at the present time and will likely continue to make satisfactory operating profits for some time to come.

Do not forget, though, that this stock was put out at $35 several years ago. The plant has not been expanded and the company still languishes in the hands of the receiver because it has not yet made sufficient ready money to pay off the arrears of interests on its funded debt. In other words, at present prices, Dryden can only be regarded as a gamble for a business man. There are perhaps other gambles which are more attractive—or at least, more certain of appreciating.

### Rio Franc Bonds

What sum of money is being claimed by the Loewenstein interests from the Brazilian Traction Co.?

This claim, I understand, is being settled in the law courts of Toronto.

In 1908, the Rio de Janeiro Tramway, Light and Power Company issued some second mortgage bonds and sold a portion of these bonds, to the amount of $2,250,000 sterling, in France and Belgium. The bonds bear 5 per cent. interest and the question in dispute is whether or not this interest should be paid in gold coin or in the currency of the countries in which they were issued, France and Belgium. The question as to payment in gold or otherwise did not come up, of course, until after the war when the franc became depreciated in value.

Brazilian Traction Light and Power Company is concerned with this because it is the holding company for Rio de Janeiro Tramway and has guaranteed all the obligations of its subsidiary companies. The question has been heard before Mr. Justice Ferguson in Toronto, but decision as yet has not been handed down. Presumably the company has set up a reserve for the back interest which it may be called upon to pay if the decision is adverse. In any event the total sum involved would take but a small fraction of the earnings on the common stock of Brazilian Traction in any one year.

### Cuban Canadian Sugar

Would Cuban Canadian Sugar common make a good investment for me?

Cuban Canadian Sugar is certainly not a good investment. The common stock is an out and out gamble. Until the present over production of sugar situation rights itself, there is little hope for much betterment in the position occupied by the company. In the meantime, the preferred shares are far in arrears.

### Municipal Bankers' Bonds

Will you kindly tell me what Municipal Bankers' Bonds are a safe investment?

Municipal Bankers' bonds are only fair. They are secured by Government or municipal bonds or mortgages on improved city property; and these earnings should be ample to insure interest on securities they have issued.

There is not an active market for such securities, however; and as rapid appreciation in value can scarcely be expected as with certain listed issues.

### South. Manitoba Trust

Who are the official liquidators of the Southern Manitoba Trust Company?

The Toronto General Trusts Corporation were appointed liquidators of the Southern Manitoba Trust Co. by the Court of King's Bench, January 12th last, and are engaged in the winding up of the company. The status of the proceedings from time to time can be easily ascertained from the Winnipeg manager of the Toronto General Trusts Corporation.

The Southern Manitoba Trust Co. is stated now to have had no connection with the Great West Permanent, which is being liquidated by another trust company.

### Tip Top Tailors

As a subscriber to your paper, will you kindly give me your opinion as to the prospects of appreciation in Tip Top Tailors common stock?

Tip Top Tailors common stock should show a fair appreciation over a reasonable period of time. The company has been operating on a sound basis for some time past, and is further expanding its business shortly. While output has been increased substantially, operating expense is stated to have been decreased by use of more economical methods of manufacture and reduction of overhead expense per unit. This means larger earnings per unit, and larger earnings on the common stock.

### Brantford Cordage

Can you tell me how Brantford Cordage is now progressing?

Is it still operating at a loss?

What are the prospects for earning its preferred dividend?

We understand that Brantford Cordage is securing a satisfactory volume of orders and that the Dutch competition this year is not quite so menacing as last year. It is perhaps too early to say that the situation has improved, but we understand from sources which we believe to be reliable, that the situation is no worse. The company is well managed, the plant is efficient and the product is of good quality and in demand. Under the circumstances, we think the stock should do better over the years.

### Watson Springer Estate

Would you advise to buy shares in the Watson Springer estate at $30 per share and $1 per month until estate is settled? These shares are being sold around this vicinity very extensively. I understand they have a government charter to sell these shares. This estate is in England, to be settled by the British Government.

The Watson Springer Estate venture is just another of those attempts to secure immense fortunes in the possession of the Crown for many years; one of the many attempts that have been unsuccessfully proceeded with during the past couple of centuries or more. This particular company is headed by Mr. Baker, president of the Baker Heirs' Association, and is at the present time under investigation by the Ontario Government.

Certainly we could not advise purchase of shares in this company even as a pure speculation.

### Canadian Mausoleums

Would you be good enough to give your opinion on Canadian Mausoleums, Ltd., as an investment; also what information you may have on the capital structure of the company.

Canadian Mausoleums preferred stock is paying a regular 7 per cent. dividend and earning a fair margin above this amount. The common shares were placed on an initial dividend early this year when 25 cents per share was paid; and it is expected a similar dividend of 25 cents will be paid to shareholders of record July 1st, thus placing the common stock on an initial basis of 50 cents a share per annum. The company has outstanding $72,600 7 per cent. debentures and $50,800 6 per cent. debentures, out of an authorization of $100,000 7 per cent. and $500,000 6 per cent., respectively. The authorized share capitalization is $300,000 7 per cent. accumulated preferred shares and 20,000 common shares of no par value. There is outstanding $199,600 preferred and 19,960 shares of common stock, all shares representing the payment made to shareholders of the old Canada Mausoleums, Limited, in return for the $199,600 shares turned in by the Ontario company.

Canada Mausoleums, Limited, organized under an Ontario charter in 1919, is the operating company, whose entire share capital, with the exception of four shares, is owned by Canadian Mausoleums, Limited. The operating unit has built some sixteen mausoleums to date, including the Hamilton structure which is just now being completed; and the holding company which has a Dominion charter is entitled by share ownership to practically all the profits of the operating company and also any other units that may be organized from time to time to operate elsewhere in Canada.

The shares should be good for a long hold.

### Howard Smith

Are Howard Smith bonds a good investment?

Earnings of the Howard Smith Paper Mills since 1920 available for interest and depreciation have never been less than $618,000. Last year earnings of the company available for bond interest and depreciation were $926,000. The depreciation write off of later years has been $100,000 and $150,000 annually. The outlook for the company is satisfactory and therefore we believe that the bonds are a good issue in the industrial class.

### Winnipeg Electric

I have a handsome profit on the common shares of Winnipeg Electric. Should I sell out now and wait for a decline which, it is said, is bound to come? What do you think of the future of the stock?

By the time your enquiry reached us Winnipeg Electric had declined. In our estimation, though, Winnipeg Electric common shares can be regarded as a permanent investment. As the Canadian West grows, so will Winnipeg grow. We believe in the future of the Canadian West.

### Pelissiers

I bought Pelissier's common at 13 and it subsequently went up to 18 but recently was down to 15½. This in the face of reliable information that earnings are running nearly $5 a share on the common outstanding, and that a dividend is in sight. The new management would also appear to be excellent. Would you recommend, from any information you may have, a further purchase at around present levels?

Pelissier's common stock appears attractive as a speculation in view of the fact that the company evidently is earning at a satisfactory rate. You bought the stock at an attractive price in our opinion and probably the future should see it selling at a considerably higher price. Yet the beverage stocks in general have not been improving their market position and undoubtedly there are many holders who have become tired. In the circumstances the immediate outlook for the stock may not be good, but we cannot but think that the ultimate position will be gratifying to all holders.

We have heard no word of an early dividend.

### Besco

I have just subscribed to your paper, would you, therefore, let me have some idea of the possibilities of Besco first preferred, which I consider to be attractive at its present level. I think your readers would also relish a comprehensive review of the company in the paper.

During the past few years, many long and comprehensive reviews of the British Empire Steel and its operations, have appeared in The Financial Post.

The first preference shares are the prior obligation of the corporation. You must remember, though, that Besco itself owns no fixed assets. Its holdings consist of the common shares of three subsidiaries—namely, the Dominion Steel, the Nova Scotia Steel and Coal and the Halifax Shipyards.

The Dominion Steel Corporation in turn owns the common stock of several subsidiaries, including the Dominion Coal and the Dominion Iron and Steel Company. The Nova Scotia Steel and Coal also owns the common stock of several subsidiaries.

The larger of these component companies of the British Empire Steel Corporation all have outstanding bonds and preferred shares. Hence you can see that Besco first preferred is in reality but a very junior obligation on the actual assets of Besco and its component organizations. In a sense, Besco first preferred at present prices has certain attractions. When the corporation is experiencing fairly good times, its earning power on the stock is fairly satisfactory. Against this, though, you must remember that the corporation has a large deficit in its surplus account. Moreover, there are many speculative factors which can affect the value of Besco first preferred. In the forthcoming reorganization, the first preferred shareholders will have their holdings materially scaled down.

About all that can be said of Besco first preferred at present prices, is that a business man could invest a small proportion of his speculative funds in such a stock. It could only be regarded as a two or three year hold at least. As a gamble, the stock has some attractions undoubtedly. There are, perhaps, though, other gambles on the market which at the present time are more attractive than Besco first preferred. There are so many factors such as the situation surrounding the domestic steel and coal companies and the demand for Besco's iron ore abroad, which affect the corporation, that it is virtually impossible to give you any real idea of the immediate outlook for the first preferred stock. With any luck, ultimately, the corporation should be able to improve its position.

### Reliance Grain

Tell me something please of the assets, the financial standing, and the position of the common shares of the Reliance Grain Company.

The Reliance Grain Company owns over 180 line elevators in Western Canada and a terminal elevator at Port Arthur with a capacity of 4,000,000 bushels. The total storage facilities of the company amounts to more than 9,000,000 bushels.

The elevators are located on the three prairie provinces. The company is in excellent financial standing, is making more money this year than a year ago and is controlled by interests with the best of records.

The common stock at the present time looks like an attractive purchase

### Shawinigan

I hold Shawinigan which I bought at 107. Now where do I get off at? Shall I sell or hold?

In our estimation Shawinigan will again sell above the price which you paid for it. In view of the fact that the market outlook is unsatisfactory, though, it may be a long hold. If you bought Shawinigan Power at 107 for a permanent investment, you would have no need to worry about the present market slump. We do not anticipate any more very material declines in the stock. However, it sells on a low yield and in any weak market is apt to fall off a little. As a two or three year hold the stock has many, many attractions.

### Dominion Bridge

I have made a loss on the shares of Dominion Bridge. Let me have your views on the stock so that I may judge as to whether I should sell or hold on.

Dominion Bridge is a business man's buy. Constructional activity has been at record levels this year and it looks as if construction would remain at a high level during the rest of the year. Hence, the general tendency of the stock should be upwards. However, it is a speculation as the bridge building industry in Canada has been largely overdone in the past. Dominion Bridge is a speculation—but not an unattractive one in view of the outlook for the maintenance of constructional activity.

You stand an excellent chance of getting what you paid for your Dominion Bridge—provided you can afford to hold it.

### Industrial Alcohol

What is your opinion of the shares of the Canadian Industrial Alcohol Company? Are they not speculative?

Canadian Industrial Alcohol shares can be regarded as an attractive purchase for a business man. If held for a year or two we believe that the shares stand every chance of appreciating on the market.

The company, of course, is not in the rum-running trade, yet it sells in the West Indies and a portion of its output eventually must find its way into the U.S. markets. As you can see, therefore, this factor of the company's operations gives the stock a speculative aspect. However, for a business man we think the stock is undoubtedly attractive. It seems to be one of the best of the beverage stocks.

The company operates under an excellent management with a clean record. The speculative features of the shares are no greater than those of the other leading distilling companies.

### Lake Ontario Brewing

I have a loss of nine points on my holdings of Lake Ontario Brewing stock. What is the matter with the company? It was supposed to have every chance of being very successful by those sponsoring the issue of stock last year. What were the 1927 earnings?

Last winter, the Lake Ontario Brewing turned out some unsatisfactory brews of beer and for some months lost money. We understand that last year the company earned sufficient to pay its 50 cent dividend. Dividends have been discontinued in the meantime though.

The brewing troubles have been eliminated and this year good beer is being turned out. The company has some good contracts and with any luck should materially improve its position this year, we believe. Last year we understand that in addition to paying the dividends, $35,000 was placed to depreciation account.

The annual report, apparently, was not made public; it was forwarded to the shareholders though. In the meantime we are writing the company for a copy of the 1927 annual report and if we are successful in obtaining it we shall forward you a copy.

Those with a real knowledge of the company seem to feel that in a year or two the stock stands every chance of appreciating. It is, of course, speculative, and before deciding to hold on to it you must compare its speculative merits with the many other speculative stocks listed on the market. Our own feeling is that you stand a good chance of obtaining the price which you paid for the stock.

### Loew's Montreal

What happened to Loew's Montreal? Has the stock any value?

Loews Metropolitan, Montreal, was never successful. Those who formerly had a lien on the property foreclosed their mortgage and it is now being operated by other interests. We believe that the Loews Metropolitan Montreal Company, though, can still regain possession of the property should it be deemed advisable to do. However, the possibility of the company again acquiring the property is more than remote. In other words the stock is worthless. However, you had better retain it in your box in case anything should by some chance eventuate.

### Debentures or Stock

I have $10,000 in Lake St. John Paper debentures. I am considering selling these and buying either Montreal Power or Shawinigan shares. Would you advise such a switch? Which is the better, Montreal Power or Shawinigan?

With your Lake St. John Power and Paper debentures you probably received a bonus of common stock. The switch which you suggest looks interesting, particularly in view of the recent decline in the shares of Montreal Light, Heat and Power and Shawinigan. The future for the Lake St. John common looks excellent.

However, whether or not you should sell excellent and well secured debentures and purchase common stocks depends in a measure on your investment program.

If you can afford to have such a large sum in common stocks, in our estimation such a switch at the moment looks rather attractive.

Of course, with your debentures you can expect little appreciation. However, on a long hold basis you can anticipate a decided appreciation in Montreal Power and Shawinigan.

If the switch from debentures to common stocks is in keeping with your whole investment program, we think such a change is advisable as in our estimation over a long hold Montreal Power and Shawinigan are certain of appreciating. We would suggest that you place some of the funds in Montreal Power and the remainder in Shawinigan. Thus you will obtain a diversification. Both companies are an excellent long hold investment. You would have to purchase the stocks, though, with the idea of holding them over a term of years. In such a switch, you would naturally reduce your annual revenue—but probably you are willing to do this in view of the excellent possibilities of ultimate capital appreciation in both Montreal Power and Shawinigan shares.

### French Francs

I wonder if you could answer a question for me. I do not know to whom to write for information. My wife and boy are at present living in France. I hear that the French Government is to push the franc up to par. Would this not mean that I should have to send them more money on which to live? If the franc is not now on a gold basis, what basis is it on?

We think there is little likelihood of the franc being stabilized at much above its present level. Our reasons are as follows:

If the franc were pushed up, say from 4 cents to 8 cents, this would mean that the purchasing power of the franc in France would be double its present purchasing power. In other words, when Governments increase the value of their currency, the purchasing power of the currency must also increase. Hence, you can see that when the purchasing power of money increases, prices must necessarily decline.

With declining commodity prices, business slows up. With rising prices business is speeded up.

An example of this can be seen in Great Britain where the Government put the pound back on the gold basis with resulting disastrous effects on industry. Hence, in part the large number of unemployed in Great Britain even at the present time.

Business men will not buy largely in a time of declining prices. This is the reason for the effect of declining prices on business.

Hence, we feel that the French Government is going to take no action which would injure French industry.

The pound sterling went in a very short time from $4.40 to $4.86 (par) The value of the pound was pushed up by about 10 per cent. You are aware of what happened to industry in Great Britain in consequence.

What would happen to industry in France, therefore, if the franc were pushed up from about 4 cents to par, namely 20 cents—an appreciation of 500 per cent.

The franc is at the present time not on the gold basis—it is not on any basis at all. The price at which the franc sells simply varies in the inverse ratio to the amount of paper money which the French Government allows to go into circulation. One cannot obtain gold for paper at the French banks.

In other words, commodity values rule instead of gold. During the war, virtually no country in the world was on a gold basis.

Even if the franc is pushed up, it should not affect you because its purchasing power will then be the greater.

### Canadian Hydro Electric

I hold the preferred of Canadian Hydro Electric. It has declined from the figure at which I bought the stock. Why is this? Why has the stock not been listed? When I bought it I was assured by the investment house selling the shares that shortly it would be listed. This has not been done. Should I continue to hold the shares?

It is a little hard to explain the weakness in the preferred shares of the Canadian Hydro Electric Corporation. We are informed that the whole issue has been sold; hence, no stock of the original offering is coming on the market to depress prices.

Perhaps the general weakness in the market is responsible for the decline, or perhaps the stock originally was sold at too high a figure. Another thing has perhaps affected the price of the stock, namely, the unsatisfactory situation which prevails in the newsprint industry and which naturally weakens the position of the International Paper Company somewhat. The International Paper, as you are aware, owns the common stock of the Canadian Hydro Electric Corporation.

True, there has been some delay in listing the stock, but we understand that the interests involved are working on the listing papers and the stock will make its appearance on the market in due course.

In our minds, there is little doubt that ultimately you will be able to obtain a price for your holdings in excess of the present level. You may have to wait, though, some months. The shares have every appearance of being a satisfactory investment issue in their class. Apparently you purchased the stock as a long hold preferred stock investment. With the one exception of the present weakness in the market, you have no reason to be dissatisfied with your purchase.

The Gatineau Power is, of course, only in its initial stages of operation and the same thing applies to the St. John River Power. As the sales of power from both these plants increase—as they will increase—the market price of this stock can hardly fail to appreciate.

Doubtless your holdings of stocks of a character similar to the Canadian Hydro-Electric preferred are well-diversified. If so, you have little need to worry about this investment.

In the meantime, it looks as if the stock market would continue to be rather unsteady for some time. This is a factor which will hardly tend to increase present prices, for Canadian Hydro-Electric preferred.

## When Women Invest

**Standard Royalties Not Attractive Except for Surplus Funds After More Conservative Investments Provide Comforts of Life; Some Standard Stocks**

A WEEKLY FEATURE

Kindly give me your opinion of Standard Royalties Limited, which is being sold by Mid-Continent Bond Corporation, of 331 Bay Street, Toronto, as an investment?

Standard Royalties, Limited, is a high yield speculative investment for a person who can afford to risk a part of his principal for the sake of the currently high income. We do not believe that we would advise investment in this company by a woman, unless the woman had a substantial investment in the most conservative bonds and stocks, and had an excess fund which he or she felt justified in putting into an enterprise of materially greater risk.

An oil royalty company buys royalties from owners of land and gets a proportion of the value of the oil extracted. The success or failure of the company depends on the luck or judgment of the persons selecting the royalties to be bought. As nearly all oil wells soon or late must be exhausted, new royalties must be bought which may or may not turn out as well. The operations of this company are in the central states of the United States.

Name one or two stocks in which a woman working on a salary might invest.

We think a woman working on a salary might well purchase some Montreal Power, Quebec Power or Shawinigan. The shares will have their market ups and downs; but, over a long hold there seems to be little doubt of a satisfactory appreciation.


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**June Bond List**

This List provides descriptions of a broad variety of Government, Municipal and carefully selected Corporation securities, and should be of material assistance to those desiring to invest. Especially attractive prices prevail throughout.

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# Woollens Industry Studies New Problem of Better Marketing

## Modern Methods of Merchandising Call for Keen Research

By DAVID C. DICK

**Presidential Address to Canadian Woollen and Knit Goods Manufacturers**

The past year in the Canadian woollen and knit goods industry has been momentous. The present time is full both of danger and opportunity. Industry is changing and a close study of the changes and the forces governing them are essential. The condition in the woollen cloth mills in Canada is particularly serious. There is here a great loss of employment and wage distribution which adversely affects many small towns throughout our country. Protection of industry and safe-guarding of employment are no longer "theories." Public opinion is steadily growing to accept them as practical necessities.

**Counter to Trend**

That the policy of the civilized countries of the world as a whole since the war has been to increase their tariff and other protective measures for industry is worthy of comment and close study. This is evident from a perusal of the history of world tariff. Even Great Britain whose industry was originally developed by very liberal protection, but who in the last eighty years has been the protagonist of free trade seems to be showing a very definite swing towards protection. The policy of increased protection for manufacturing industries in countries like the United States, France and Germany is well known to us all.

In contradistinction to this the policy of Canada since the war has been a gradual but steady reduction of tariff duties. Not only have the rates in the Canadian tariff been lowered but trade agreements are being entered into by which countries formerly exporting to Canada under the general rate are receiving intermediate and specially lowered rates which has the further effect of lowering the tariff. During last year trade agreements were negotiated with nine countries, which added to the fourteen countries with which there were already trade agreements, brings the total up to twenty-three of such countries. This policy should have our earnest consideration and the consideration of all interested in the future prosperity of Canada. A precedent is being established and our tariff fences are being lowered in respect to many countries who are enjoying very considerable manufacturing prosperity and activity. Were conditions to change in these countries and should the prosperity of their manufacturers supplying their own home market decrease, a still more intense competition for Canadian manufacturers must ensue.

It was I believe, clearly shown in our case at Ottawa that there are no climatic, natural or practical disabilities for manufacturing woollen materials and articles in Canada. Many compliments were passed on the output of Canadian mills whenever and wherever we have shown them to the public and so far as I know, no one has yet been able to successfully pick the Canadian from the English samples in the book of mixed patterns we filed with the tariff board and invited experts to segregate.

**Diversified Employment**

More and more throughout Canada the wisdom of providing diversified employment as the only sure method of rapidly increasing our population is being recognized, together with the soundness of the principle that a worker employed not only earns wages, but spends wages and employs other workers. In this connection the public should consider that in the fiscal year 1928 the total importations of dutiable manufactures of wool amounted to $42,707,830.

If a reasonable proportion of these goods had been produced in Canada they would have given all the year round employment directly to 15,000 Canadians, who would receive and spend in our country, wages of approximately $12,000,000 annually. Besides this there would be the additional employment given for transportation over Canadian railroads of wool, coal, materials and supplies for the mills and the employment necessary in supplying the housing and maintenance requirements of the workers. A worker employed in Canada consumes Canadian farm products, if he is employed in other countries to make goods sold in Canada he may or may not consume Canadian farm products. In the calendar year 1926, the latest year for which figures are available, the total production of manufactures of wool in Canada employed approximately 14,600 workers with a pay roll of $11,600,000. The figures given both for imports and domestic production do not include figures for knitted goods other than those made from wool, but in 1926 our total employees in the woollen and knit goods industry numbered 24,635 with a pay roll of $19,860,796. Facts like these speak for themselves and must be brought home to the people of Canada. Immigration and population are the cries from all quarters of our country. Diversified employment is the necessity without which we cannot support population. The safeguarding of industry and employment is the national requisite for immigration and population.

**Changes in Distribution**

Great changes are taking place in industry and production, and in the placing of merchandise before the consumer. Accurate business figures on possible market, plant capacities, production, average costs, stocks on hand and distribution are vital to judgment on increase or decrease of plant capacity and production, and to economy in distribution.

Mr. Paul M. Mazur, of Lehman Bros., New York, in his book "American Prosperity" says: "It is to merchandized production that American business men have begun to turn and must turn their attention. 'Merchandising' is here defined as the balancing of production or purchasing schedules with carefully determined sales possibilities in such a way as to obtain the greatest net profit consistent with reasonable risk. Merchandising will be the balance device between the requirements on sales efficiency and the requirements of manufacturing economy, and in this balanced production and purchasing schedule lies the hope of continued profit. The starting point of merchandising is an analysis of sales market possibilities both for type of product and for quantities."

**Reducing Distribution Costs**

A report of the National Distribution Conference at Washington, D.C., says: "For some years past attention has been so centered on the reduction of manufacturing costs that in many classes of commodities those have been cut down to at least what appear to be an approach to what appears to be the 'irreducible minimum.' Distribution costs on the other hand have not been studied with the same or even comparable accuracy to that devoted to manufacturing costs. Therefore, diligent enquiry into these costs which form the basis of all distribution costs will result in a palpable and immediate benefit to the manufacturer which inevitably will ensure to the benefit of the consumer."

Manufacturers in Canada are continually by research, better methods and better machinery, bringing down the margin of cost between the cost of the raw material and the cost of the manufactured article. But the difference between the price at which a manufacturer sells an article and the price which the consumer pays for it is very great. In Canada it has been the fashion to put the whole onus of the whole cost of an article sold at retail on the manufacturer, ignoring distribution costs over which the manufacturer has little if any control. This is unjust and unfair and is the cause of many of the attacks on tariff protection in our country. In the United States government agencies, institutes of research, and economists have so thoroughly ventilated the price which the consumer pays for the distribution of an article when once manufactured that there is danger of distributing agencies being looked upon as robbers in that country. This is also unjust and unfair, because part of the high distribution cost is undoubtedly due to the demands for special service upon the part of the consuming public and part is due to waste through lack of accurate information. But besides studying the distributing problems of manufacturers, wholesalers and retailers, there is evidence of change in the relation of manufacturing units to distribution units. With the coming of large retail corporations, chain stores, consolidation of individual retailers in buying organizations, door to door selling by manufacturers, selling direct to retailers by manufacturers, coupled with continued hand-to-mouth buying it is time the manufacturing units surveyed their situation carefully.

What are the trends of business? Will retailers attempt to control their own sources of manufacture? Will hand to mouth buying bring back the wholesaler to his old position in the machinery of distribution, with possible control of manufacturing units? Is the trend towards manufacturers creating central sales organizations which will distribute the products of a number of small factories so as to specialize production as far as possible? Is the trend towards the actual consolidation of a number of small factories? Is the trend towards trade alliances between manufacturers and retailers?

Mr. A. D. Whiteside, president of the United States Wool Institute, to whose speech last month reference has already been made, in illustrating his suggested vertical and horizontal trading alliances among retailers, cutters, weavers and wool dealers says: "At the present time the clothing manufacturer doing a business of between $250,000 and $500,000 a year buys on an average from thirty-two cloth mills during the season, and when doing a two-season business buys from forty-five weavers, 50 per cent. of which are changed each year. How is it possible under these conditions for either the cutter or the weaver to standardize the quality of cloth or garment when they are promiscuously and constantly switching their sources of supply solely for the purpose of saving a few cents a yard on cloth or a fraction of a cent a pound on yarn or wool, when through buying from the same sources year in and year out they must realize that they will ultimately save on each yard or pound?"

He pointed out that a manufacturer selling suits and overcoats at a range of $22.50 and $35.00 for an annual business of $1,000,000, might select twenty retail stores as outlets for 50 per cent. of his product, no one of which would take more than 5 per cent. of the total. This would give the retailer every advantage of the chain store, minimum prices, models to suit his requirements, standard qualities and standard workmanship, while affording him full freedom. In such an alliance between cloth manufacturers, cutters-up and retailers definite and accurate knowledge of the exact demand for products would be possible, allowing for the most economical distributing schedule. The record would be kept by the three tag system. The first of the retailers three tags would go to the consumer as a purchasing guide, the second detached from the garment would go to the cutter informing him of the exact garment sold, and a third tag giving fabric information and the name of the cutter would go to the selling office of the mill that had manufactured the cloth.

These extracts and comments in the press and elsewhere indicate a general trend of thought in business different from previous practice.

## Hamilton Bridge Co. Listed in Montreal

**From Our Own Correspondent**

MONTREAL.—The first preferred and no par value common shares of the Hamilton Bridge Company will be callel for trading on the Montreal Exchange immediately. Earnings on the common are running better than at a $4 per share annually—a figure in excess of that estimated when the company was publicly financed earlier in the year. Hamilton Bridge has contracts on hand for fabricating the lock gates and bridges on the Welland Canal, the steel work on the Royal York Hotel in Toronto, steel bridges for the C.P.R., and lift bridges for the Department of Railways and Canals.

The high level of constructional activity in Ontario is being maintained and there are several projects in view at the moment in which the Hamilton Bridge may participate. One of these is the large new head office building for the Canadian Bank of Commerce.

The company has outstanding $2,250,000 in 6½ per cent., cumulative, first preferred and 50,000 common shares of no par value. The 7½ per cent., cumulative, second preferred is outstanding to the extent of $800,000; it is all held privately. The common shares were given as a bonus with the first preferred in the ratio of 2½ shares of common for every ten shares of preferred.

**Implement Firms Prosper**

Implement companies in Saskatchewan are importing large quantities of reaper-threshers and indications point to a heavy sale of these this year. It is believed that this type of harvester will be used to a greater extent this year.


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SECOND SECTION

# THE FINANCIAL POST

SECOND SECTION

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## CANADA FOUNDRIES DIRECTORS SUBMIT CAPITAL CHANGES

### Scheme Calls for Two Classes of Common Stock

### WIPE OUT ARREARS

### Preferred Holders Will Get Four for One and Common Share for Share

From Our Own Correspondent

MONTREAL.—Modification of the capital stock of Canada Foundries and Forgings, Limited, from preferred and common stock to class "A" and "B" stock, has been approved by the directors and will be submitted to the shareholders at a general meeting to be held in Brockville on July 5th next.

As pointed out in The Financial Post two weeks ago, in first drawing attention to the proposed capital change, Canada Foundries has been experiencing a good volume of business in the last two or three years. The accumulation of unpaid dividends on the preferred stock, however, has handicapped the company and the simplification of capital structure having in mind the protection of the preferred shareholders, has been under consideration by the management for some time.

**Preferred in Arrears**

Dividends were paid on the preferred regularly up to February 15, 1921. Payments were suspended thereafter until June 1, 1927, when 2 per cent. was paid on account of arrears. Dividends of 1½ per cent. were paid quarterly on September 1 and December 1, 1927, and on March 15, 1928. Arrears of dividends on the preferred to date, therefore, total 43 per cent.

Under the proposed recapitalization, there will be authorized 80,000 shares of class "A" stock and issued 38,400. Of the class "B" the authorized number will be 40,000 shares, of which 9,600 will be issued.

At the present time the company's capitalization consists of an authorized 20,000 shares of 7 per cent. preferred and 20,000 common shares, each of a par value of $100, of which 9,600 of each class is now outstanding.

**Take Care of Holders**

The management proposes issuing four shares of the new class "A" stock for each share of preferred. As the fixed value of the class "A" stock is placed at $35 each, it will be seen that the preferred shareholders will get $140 for each $100 of stock held; in other words, the arrears are being paid off by additional stock.

For every share of common, a holder will receive one share of class "B" stock.

In a letter to shareholders, W. M. Weir, president of the company, states, in part, as follows:

"The proposed scheme of arrangement which is to be submitted for your approval may be summarized as follows:

"All the authorized preferred and common shares of the company, together with arrears of dividends, are to be cancelled and extinguished and the preferred shares are to be replaced by Class "A" shares of no par value, and the common shares by Class "B" shares of no par value.

"Preferred shareholders are to receive four class "A" shares for each preferred share now held. Common shareholders are to receive one class "B" share for each common share now held.

." Class "A" shares are to receive by priorty in each year, the sum of $1.50 for each share before any dividend can be paid on Class "B" shares. Any further distribution in any such year after class "B" shares shall have received $1.50 per share, is to be made 50 per cent. to Class "A" and 50 per cent. to Class "B" shares. Class "A" shares are to be redeemable at $35 per share, and on voluntary distribution of the capital assets of the company are to be paid by priority the sum of $35 a share, after which they will not be entitled to further participation in the profits or capital assets of the company.

By adoption of this scheme, the shareholders will wipe out the arrears on the preferred and place the company in a position to make regular dividend payments on the class "A" and possibly on the "B" stock. It is apparent that the preferred shareholders are being treated in a liberal manner.

## *Is it Going to be "Dostaco?"*

Under the headline "Genius Invents New Headline Brief for Besco's Successor," the Sydney Record says:

"For years the term 'Besco,' formed by aligning the initial letters of British Empire Steel Corporation into one word, has been a God-send to newspaper headline writers faced daily with the necessity of getting the unwieldy name of the big concern into a restricted space.

"With the changing of the name to the Dominion Steel & Coal Company, Ltd., the harassed copy-reader had been reduced to desperation for the name is far too long for the ordinary headline, the initial letters will not combine in anything readable, and the only saving feature of the situation so far is that the company has not been much in the news.

"However, some genius on The Financial Post, Toronto, has now evolved the abbreviation 'Dostaco,' made up by combining groups of letters in the names (although the 'a' has evidently been inserted holus bolus and may be a misprint for 'e') While not bad for headline purposes, the combination is not very euphonious and is difficult to pronounce, and it remains to be seen whether it will 'catch on' with newspapers and public."

"Dostaco" may not be very euphonious but it is short and it fits into a headline. So it is likely to stick.

But the Sydney Record overlooks one thing when it says that the "A" was thrown in holus bolus. "A" is the first letter of the word "and," represented by "&" in the name of the company. Dostaco is derived as follows:

DOminion STeel And COal Company.

### Fraser Companies Plan Erection of Sulphite Mill

From Our Own Correspondent

MONTREAL.—The Fraser Companies will commence the construction in September of a sulphite mill with a capacity of 150 tons per day, was an announcement made by Hon. D. A. Stewart, Minister of Public Works, during his address before the Board of Trade of Campbellton, N. B. The new sulphite mill when completed would give yearly employment to about 325 men, in addition to large crews for the cutting and driving of 100,000 cords of wood required annually by the mill.

## Ontario Steel May Increase Dividend Soon

From Our Own Correspondent

MONTREAL.—It is thought probable that the directors of Ontario Steel Products, at their next meeting, will increase the dividend rate on the common shares to an even 40c. a share. This would place the stock on a definite $1.60 per annum dividend basis. It would improve also the position of the preferred shareholders in the company who, to take advantage of the better market for the common shares exercised their conversion rights which expire at the end of this month.

Within recent months the old common shares of the company were exchanged on a four for one basis for new no par value shares. The new common stock at the moment is on the same dividend basis as the old $100 par value stock, namely 37c. a share a quarter, or $6 a share annually on the old common stock.

The prevailing market price of the common gives an inflated value to the preferred shares. Many shareholders have, or will convert their preferred into common to take advantage of this situation. In so doing, though, the preferred shareholders have to forego a loss of one per cent. per annum in their revenues from dividends. The prospect now that the new common of Ontario Steel will go on a 40c. a share quarterly dividend basis means that preferred shareholders who make the exchange will receive $6.40 a year a share instead of $7 a year from the preferred stock.

The company is doing well and is increasing its business.

## ONTARIO BREWING REPORTS SURPLUS

### Net Earnings Are Lower Than Expected, Says President

From Our Own Correspondent

MONTREAL.—An operating profit of $36,533 is reported by the Lake Ontario Brewing Company for the period from February 15, 1927, to March 31, 1928. After deduction of organization expenses, depreciation, there remained a net profit of $12,367. A dividend of $11,000 was paid, leaving a surplus of $1,367.

The balance sheet of the company shows current assets of $116,824 with current liabilities of $33,870, leaving a working capital of $82,954. Fixed assets at the end of the period totalled $430,055 and deferred charges $9,768. Goodwill is carried at an exceptionally high figure, namely, $141,779.

In his remarks to the shareholders, J. F. Sowards, president, stated that net earnings, after allowance for depreciation, taxes, etc., did not come up to expectations. This was due in part to the fact that the new liquor legislation in Ontario did not come into force until June 1, 1927.

During the year capital expenditure of $42,922 was made for the improvement of machinery, plant and equipment.

### Revenue Freight Loadings Record Substantial Increase

From Our Own Correspondent

MONTREAL.—Another sharp increase was recorded in revenue freight loadings during the week ended June 9th last. During that period 66,442 cars were loaded, as compared with 62,753 in the corresponding period last year. As compared with the week ended June 2, 1928, there was a decrease of 2,633 cars.

Cumulative loadings for 1928 total 1,459,905. This compares with 1,389,337 and 1,300,846 cars in the same periods of 1927 and 1926, respectively. Loadings in the eastern division are less than last year, but those in the West are substantially higher. Increases this year were recorded for grain and grain products, live stock, coke, pulp and paper, other forest products, ore, merchandise and miscellaneous, while decreases were recorded for coal, lumber and pulpwood.

### Progress on Detroit Bridge Heartening to Border Folk

Completion of the bridge between Sandwich and Detroit will fill a need which has existed since the Indians started a ferry system at the same spot two hundred years ago. The steel towers which will support the 1,850-foot span—the longest single span in the world—will rear their heads 352 feet in the air. The bridge proper will be 152 feet above the river, and will have five lanes for traffic. Work has proceeded even faster than was expected, the open winter having been particularly kind to construction operations, and if the present rate of progress holds, 1930 traffic will be spinning back and forth across the Detroit River.

The same story applies to the tunnel under the river, which is expected to be completed about the same time. Whereas the bridge head on the Canadian side will be at Sandwich, the entrance to the tunnel will be in the heart of Windsor. These facilities for traffic are expected to bring very material benefits to the Border Cities. It is understood that real estate conditions there are already reflecting the desire of suburban residents of Detroit to live nearer the centre of that city.

The Border Chamber of Commerce reports an entire transformation in industrial conditions in the last seven months. In September, 1927, 8,861 employees were reported in the Border Cities, where 17,264 were listed on the last day of April this year The automobile industry alone shows an increase of over 2,000 employees.

## OTTAWA MOVES TO HELP MARKET MARITIME COAL

### Will Ship 400,000 Tons to Quebec and Ontario

From Our Own Correspondent

MONTREAL.—Action has been taken by the Dominion Government in its effort to establish a national fuel policy for Canada by providing for assistance to the movement of Maritime coal to Quebec and Ontario.

It will be remembered that early last Spring an Order-in-Council was issued by the Federal Government setting a maximum freight rate of $6.75 per ton on the movement of coal from Alberta to Eastern points. This rate is to be enforced for three years during which time a commission, set up by the Government, will investigate the cost of moving the coal and at the end of that period establish a permanent rate.

Following this move, Maritime interests requested the Government to provide similar assistance for them so that they could establish a market for their coal in Quebec and certain parts of Eastern Ontario. To this end $150,000 was voted at the Session of Parliament just closed.

**Handle Forty Applications**

About 40 applications have been dealt with by the Dominion Fuel Board and as a result, coal shipments amounting to about 400,000 tons from the Nova Scotia output have been approved and will be sent to markets in 15 localities where American coal has been formerly free from competition.

A statement issued by the Federal Department of Mines points out that to displace this amount of United States coal is, in existing circumstances, no small undertaking and it is hardly to be expected that contracts for the full amount will be made. The Government, however, is satisfied that the measure it has adopted will help to fill Canada's coal requirements with Canadian coal.

**Have Good Effect**

The securing of markets under the most keenly competitive conditions will undoubtedly have a desirable psychological effect on the new operators and miners of Nova Scotia and help to show how far Nova Scotia coal can compete with United States bituminous coal on a basis of quality.

For steam raising purposes, Maritime coals already have a wide market, but for gas making Ontario and Quebec have been in the habit of using imported coal. One of the reasons for the lack of markets for Eastern coal is the disadvantage imposed by the geographical position of the coal fields, a disadvantage which also operates against Alberta coal. At Montreal, owing to the cheap transportation by water, Nova Scotia coal does have an even chance with American coal, but at inland points competition favors the latter. Also, coal in the Maritime provinces is mined at considerably more expense than in Pennsylvania or Virginia, since more than half of all production comes from under the sea. It is generally admitted that because of geological and other conditions the cost is anywhere from two to three times as great as in the United States. Mining practice, however, in spite of adverse conditions, is equal at the larger mines in Nova Scotia to that of any on the continent.

This movement is primarily designed to find out the actual cost of bringing Maritime coal to markets in Quebec and Ontario, but it will also encourage the use of Canadian coal.

### Dom. Engineering is Strong Marketwise

From Our Own Correspondent

MONTREAL.—The strength in the shares of the Dominion Engineering Works, which during the break, sold down to 66, and have now reacted to over 80, has resulted in the usual crop of rumors on the company. It is said that the Dominion Bridge Company is considering acquiring its subsidiary on a share for share exchange basis. The parent company owns over 60 per cent. of the stock and there is but a small floating supply on the market. It is said also that earnings of the subsidiary are running ahead of those of the parent company and that several large hydro-electric undertakings now in prospect, will result in the placing of several large orders with the subsidiary.

## CANADIAN CITIES REPORT ACTIVITY IN REAL ESTATE

### General Situation Healthier Than in American Centres

From Our Own Correspondent

MONTREAL.—Real estate activity in Canada last month was greater than in May, 1927, according to reports received and tabulated by the National Association of Real Estate Boards. Eighty-three per cent. of the cities reporting indicated that real estate activity was greater and only 17 per cent. as less active.

The larger earning power of Canadians in the past three years has created renewed interest in the purchase of property, building of homes, office buildings, stores, etc. Thirty-three per cent. of the reports states that selling prices are higher than they were a year ago; 50 per cent. about the same and 17 per cent. as lower.

This is an exceptionally good showing as compared with the returns of the different sections in the United States. The average for the United States and Canada combined in May last was 14 per cent. higher; 55 per cent. the same and 31 per cent. lower. None of the 9 American sections reporting showed such a high percentage increase as Canada.

With higher prices prevailing for property and houses, it is only natural that rentals should also advance. For single family dwellings, two-thirds report no change in rentals, but the balance indicate an increase. For the two-family dwellings, or duplex, the rental situation is the same as for the one family dwelling. Apartment rentals show little change, only 17 per cent. reporting higher rentals.

An interesting analysis has been made by the National Association in connection with rentals in central and outlying districts. As compared with last year, 50 per cent. of the cities report higher rentals for central property and the balance no change. Outlying property rentals show no change.

Office rentals in centrally located office buildings in Canada are reported as 17 per cent. higher in May, as compared with May, 1927. There is no change in buildings in outlying sections. A noticeable trend in office rentals in American cities, is that demand for outlying buildings has increased in 2 per cent. of the cities reporting.

A normal or adequate supply of single family dwellings were reported by 69 per cent. of the cities reporting. Eleven per cent. state that there is overbuilding and 20 per cent. that a shortage exists. For apartment buildings, 12 per cent. of the cities report overbuilding, 60 per cent. normal, and 28 per cent. a shortage. The business property situation in 23 per cent. of the cities reporting is said to be overbuilt. Seventeen per cent. claim a shortage, while the balance report "normal."

### Better Business Bureau Extend Publicity Campaign

From Our Own Correspondent

MONTREAL.—The results of the preventative publicity of the Better Business Bureau of Montreal, while not as apparent as those obtained by direct prosecution, has undoubtedly done a lot of good in overcoming the schemes of fraudulent operators.

To extend this work, arrangements have been made with a number of the larger employers of labor to have posters placed in their factories and workshops for the attention of employees. Pamphlets have also been prepared for distribution.

## Pat Burns' Associate, Pacific Coast Leader, Born on Ont. Farm

### Back from Valley of Shadow of Death Came W. I. Blake Wilson to Achieve His Greatest Triumphs

By CHARLES L. SHAW

A few months ago it looked as though Western Canada was going to lose one of its most useful citizens. A man, who had been a real power in the land and who in his rise to the top among his fellows had won countless friends, was apparently on his deathbed.

"It's just a matter of time," they used to say, as businessmen of Vancouver conversed in the clubs and offices concerning the impending death of W. J. Blake Wilson. Yes; it was a matter of general conversation, because just at that time the health of W. J. Blake Wilson was counted as the most important piece of news in Vancouver. So wide were his business associations, so numerous his friends and so great his hold upon their affections, that the passing of this dominant figure was regarded as nothing short of a civic calamity.

**Out of the Valley of Death**

But those who in their well-meaning way were so gloomy in their idea of the inevitable did not count on Blake Wilson's chief characteristic—his unbreakable optimism and his fighting spirit. Blake Wilson wasn't ready to die just then and he simply wouldn't and when he slowly grew better in hospital, then became convalescent and finally recovered and took his big place again in the business world, even his physicians almost gasped with amazement. For if there was any man in the shadow of there was any man in the valley of the shadow of death that man was

Vancouver businessmen are beginning to forget those anxious hours now, for no one seems more alive to-day than Blake Wilson. Not only has he recovered from illness that seriously threatened his life, but he has within the short span of a few months risen to heights in the financial world that are reserved for a very small group of fortunate and exceptionally able men. In quick order, Blake Wilson since his return to good health has been appointed to the directorate of the Canadian Pacific Railway, the new B. C. Power Corporation and the new Burns & Company, three of the biggest companies in Canada. He was previously on the B. C. Electric and P. Burns Companies' boards. When things like that happen to a man you just can't somehow associate him with the near dead.

**Was Penniless Cowboy**

Blake Wilson appears to be at the peak of his career right now, but how is one to account for the future destiny of a man who has already gained such distinction? And one of the most interesting things about the amazing life of this business leader of the Far West is that he started out as a penniless cowboy with his entire capital in his rugged body, his keen-working brain and his big heart.

Unlike Pat Burns, who was to play such a big part in the shaping of his career, Blake Wilson did receive a fair education and he would be the last to deny its benefit. But he is no college man. His school has largely been the rough-and-tumble one of experience and hard work. Probably his biggest attribute is his ability to handle men and win their devotion, and you can't learn that sort of thing at a school bench.

**Wellington County Farm Boy**

John and Sarah Wilson, both since deceased, did not have the money to send their son to college and probably Blake had no aspirations in that regard, for he knew there was work for an able-bodied youngster on the farm and that he could do more useful work at home than in the halls of learning. The farm was in Wellington County, Ont., and that is where the boy who was to become the far West's business leader was born.

He saw there was money in cattle and he gave most of his attention to that branch of farming. As a cattle trader he acquired such skill that it was but natural that he should follow the packing industry and gradually extend his interests from those of an itinerant cattle buyer to those of a large scale contractor. The packing business in those days was nothing like it is now. The science of refrigeration was then undeveloped. There was no such thing as shipping fresh beef across a continent and having it reach its destination in prime condition. Beef usually had to be taken close to its place of consumption on the hoof.

**Beef for Rail-Layers**

In Blake Wilson's young manhood was the great railway construction era of Canada. Strips of steel were being laid westward. Great gangs of beef-eating laborers were toiling in the land previously populated by the buffalo and redskin. Settlers were following in their wake. It was a colorful, romantic period—the background for a thousand novels. But Blake Wilson's practical brain was not contemplating the art of novel writing in those days. He was thinking in terms of beef. There was a great market out there in the west, a growing market, and the man who met its needs would make a fortune. That was the idea back of Blake Wilson's determination to concentrate on railway construction camp beef contracts. Small orders were followed

(Continued on page 16)

## LOOK ASKANCE NEW MONTREAL STORAGE PLANT

### Canadian National Proposes Erection of $3,000,000 Building

### COMPETITION IS KEEN

### Government Harbor Plant Now Losing Money and Private Firms Find the Going Difficult

From Our Own Correspondent

MONTREAL.—The proposal of the Canadian National Railways to construct a cold storage plant in Montreal in competition with the Harbor Commissioners and other private plants, is looked upon here with some misgiving.

It is pointed out that the government already has several millions invested in the Harbor plant, which is not considered a success from a financial point of view. If the Canadian National enters the field, the situation will only go from bad to worse and the government will likely be saddled with another unprofitable enterprise.

As far as can be learned the new cold storage plant will be erected on the property of the railroad, alongside of the Terminal Warehousing Company plant, which is also owned by the Canadian National Railways. This plant is now being operated as a dry storage warehouse and, being on the same property, the proposed cold storage plant will have distinct advantages from an administration standpoint.

It is said that every effort will be made to erect one of the most modern plants in Canada containing some 2,000,000 cubic feet of storage space.

**Cost $3,000,000**

The cost will approximate $3,000,000 and it is understood that the senior financing, in the form of a first mortgage bond issue, has been arranged with a New York financial house; the junior investment will presumably be made by the Canadian National Railways.

Both the Terminal Warehouse and the new cold storage plant will have railroad connection, being located on the block bounded by King, Grey Nun and Common Streets, and having a spur to the Montreal and Southern Counties Railway, which is operated by the Canadian National.

The agents of the Canadian National will undoubtedly be able to route a large amount of storage to the new plant which is now going to the large number of small private plants which have hitherto taken care of the storage requirements of the produce trade in Montreal, the bulk of which is located in the district where the new plant will be erected.

Just how the many shareholders of these private companies, who pay large taxes to the city, provincial and federal treasuries, will view this new incursion of governmental interests in business competition with them, remains to be seen.

What of Earnings?

Of the dollars spent on plant, which were capital, which expense? Error in decision means error in earnings statement. Canadian Appraisal Service reveals property facts for correcting such mistakes.

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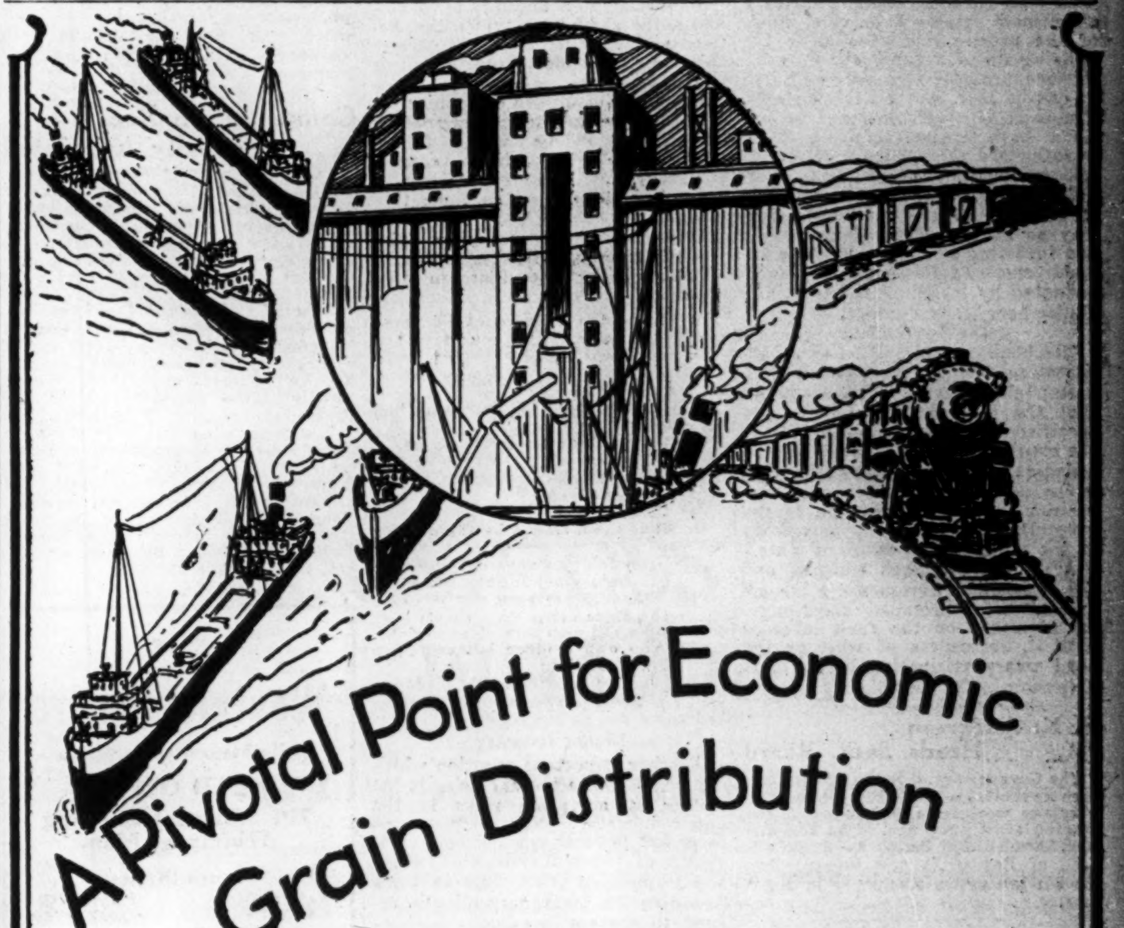


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# Insurance for Buyer and Seller

## NEW LIFE POLICY HAS ATTRACTIONS AS AN INVESTMENT

### Dominion Life Adds Interesting Contract to Underwriters' Kit

Every business man has his kit of tools. In the life insurance business the "tools" are policies and by the thickness of an up-to-date rate book one would imagine that the average underwriter has more than he knows what to do with.

As a matter of fact, when all is said and done, there are perhaps never more than two or three policies that can be applied correctly to any particular case, and with many companies the choice is even narrower than this. Expert underwriting consists, of course, in the ability to choose accurately the type of policy that will most perfectly suit the client's needs. And successful underwriting may in the long run be measured by the underwriter's ability to correctly analyze the situation and apply the proper "tool" to fit the need.

In the new rate book of the Dominion Life Insurance Company, there appears for the first time a new policy entitled the Protection Investment Bond. This is a new departure on the part of the Dominion Life into a field that has already been approached with considerable success by one or two of the larger Canadian companies. In announcing this new policy to its underwriters, the company outlines a skeleton "canvass" which sums up very clearly the advantages of this particular form of contract.

**A Model Canvass**

"You say your age is 29, Mr. Blank?" the underwriter asks. "Then according to this plan you will deposit your savings with us until you reach 65 years of age. When you reach 65 your deposits stop and we will either pay you $100 per month for the balance of your lifetime, or else a guaranteed cash value in one lump sum."

"Once you reach the age of 65, we guarantee to pay you the $100 for at least 100 months or to your beneficiaries if you should die before the expiration of that period."

**Disability Clause**

"But supposing you begin this plan and become totally disabled at any time between now and the time you are 65. For example, suppose you are totally disabled at 35. In that case we begin making these payments for you, and furthermore, you will be put on the company pay-roll and will receive from us $100 a month as long as that condition exists."

"There is only one other thing that can happen to you and that is your death during productive years, in which case we will pay to Mrs. Blank $10,000 in cash, or, if death is due to accident, $20,000 in cash.

"At your age all you need to do to create this protective bond, is to set aside an average savings deposit of approximately $30 per month."

**Better than Endowment**

The bond has been designed to meet the requirements of a large class who wish to plan a programme of insurance saving which will accumulate a greater competence for their own old age than the ordinary endowment policy will provide. More of the premium is devoted to the building up of a fund, although insurance protection is not neglected as can be seen by the death benefit. Provision is made through the optional cash settlement at maturity to safeguard against the necessity of taking a monthly income if the bondholder feels he has not a fair chance of securing as great a benefit this way as by withdrawing the money and investing it elsewhere. The attractiveness of the bond is greatly enhanced by including the total disability benefit.

**May Participate**

The bond is issued either on a participating or a non-participating basis; in the former case, assuming that the insured lives to the age specified in the bond, the surplus at the credit of the bond can either be added to the guaranteed cash value or be used to increase the income payable in direct proportion to the percentage which this surplus bears to the value at the maturity date."

After the bond has matured and the payment of the monthly income commenced, the company pays interest dividends on the fund invested with it, regardless of whether the bond was participating or non-participating in the first place.

### P. K. Anderson Heads Sask. Board

The Government of Saskatchewan has been appointed a commission to administer the workmen's compensation law enacted some time ago. The commission, headed by Percy K. Anderson, K.C., of Regina, is now investigating the administrative machinery in Manitoba.

### Federal of N. J. Leaves Hail Field

The Federal Insurance Company of Jersey City, N.J., one of the leaders in the Canadian hail underwriting field in point of premium volume, has ceased to carry on business in Canada, all of its hail insurance policies having expired.

### Metropolitan Life Changes

The Canadian head office of the Metropolitan Life announces the following changes in the field:

C. E. Lavergne, assistant manager at the Montcalm, Montreal district, is appointed general assistant manager at the Canadian territory;

Raymond E. Desautels, manager at the North Bay, Ontario, district is transferred to the New England territory.

W. W. Macdonald, assistant at the Vancouver South, B.C., territory, is appointed manager at the North Bay, Ontario, district;

Simpson Orr, general assistant at the North Vancouver district, is appointed assistant manager at the Vancouver, B.C., district;

Percy G. Leoney, agent at the Winnipeg, Manitoba, district, is appointed assistant manager at Winnipeg;

John L. Robinson, assistant manager, at the North Bay, Ontario, district, is transferred to the Niagara Falls district;

John T. Martell, agent at the Sydney, N.S., district, is appointed assistant manager at the Sydney district;

A. J. Dompierre, agent at the North Bay district, is appointed assistant manager at the North Bay district.

## Taking a Vacation No Need for Alarm Say Fire Companies

### Test Case in Ontario Courts Not Thought to Apply

"Have you ever bothered to get a vacancy permit before you go on your summer holidays?"

Recent press discussion over a fire insurance case in the courts in Ontario would seem to indicate that unless precautions are taken, the average householder who goes on his summer vacation and leaves his house empty, automatically releases the insurance company from responsibility in case of fire.

Insurance officials questioned on this point by The Financial Post, state emphatically that this is not so. In other words, that no insurance company in good standing would contest a claim where the house was merely empty for a few weeks on account of the owner or tenant being absent on a vacation. On the other hand, however, if every precaution is to be taken, and the householder expects to be absent for a fairly long period, assurance might be made doubly sure, by obtaining from the fire insurance company a vacancy permit which would place the responsibility definitely upon the shoulders of the company during the householder's absence.

**An Ontario Case**

The controversy arose over a test case in which the Toronto Casualty Insurance Co. reecntly threshed out in court, and in which they were awarded decision by an appeal court. The property in question was burned after having been vacant for something like 28 days.

The claim was merely a matter of $200, and has since been paid by the company, though by award of the court, the company was not liable. The company has also paid the insured's costs as evidence of good faith that the claim was only pressed in order to clear up an apparent anomaly in the provincial insurance legislation. The anomaly is something like this.

**Was Well Settled**

Until a few years ago, insurance law seemed to be well settled that a fire insurance contract was subject to a specific clause, usually embodied on the contract, which specified that the company was liable on a protected risk, only when occupied as a private dwelling. In other words, that as soon as a property became vacant, the insurance company ceased to retain its liability. As this clause was incorporated in each individual contract it could be modified by means of a so-called "vacancy clause" which was a voluntary arrangement entered into between the insured and the company, and throwing the burden back on the company in case of temporary vacancy.

**New Legislation**

In 1924, however, a new law came into force in Ontario and has now been adopted by the four Western provinces, which created new statutory conditions which apply to all insurance contracts irrespective of the details of the policy contract. One of these conditions states that when a property remains vacant or unoccupied for more than thirty consecutive days the company shall not be liable for loss by fire.

Plainly these two statements—one of which was a statutory condition and the other a condition of the policy, seemed incompatible, as one relieves the company from liability as soon as vacancy occurs; the other thirty days after the property has become vacant.

**Important Verdict**

The test case which was decided by an Ontario appeal court, found that the company was not liable even though the property had only been vacant twenty-eight days. In other words, that the statutory condition has no effect in this case; the argument being that the clause "only when occupied as a private dwelling" is not a condition of the policy but merely a description of the property.

The decision was a startling one for many insurance men who take the stand that it entirely upsets what has been settled insurance law for many years. Whether the decision will cause a revision in insurance law or not is still somewhat doubtful.

Most insurance officials take the stand that as yet it is too early to estimate the actual effect the decision will have on fire insurance contracts.

**Sharpe Cleavage**

One thing seems clear however, that there is a sharp cleavage between going away for a vacation and vacating a house or dwelling by removing all one's possessions and furniture therefrom. In the former case, insurance practice has been to offer the utmost protection to clients, although as already pointed out, it may be a sensible precaution to make doubly sure by procuring a vacancy permit before going on one's vacation.

## ACTUARY PROGRAM INCLUDES AVIATION AND LIQUOR RISKS

### Definite List of Questions on Aero Problem Prepared

As already announced in these columns, the chief topic which the Actuaries Club of Toronto will discuss this week at London, Ontario, will be that of aviation.

Local life insurance companies report that they are being swamped by enquiries regarding the question of flying in relation to life insurance, and they are looking forward to threshing out the whole topic this week.

The discussion concerning aviation will take the following form; the questions being those that are to be submitted for actuarial deliberation.

A. Should the practice of the companies re aviation risks be uniform?

B. Should the risk be covered by an extra premium or by a lien, or should a choice be given?

C. What should be the extra premium for pilots?

(1) On regular commercial routes.
(2) On forest survey where amphibians are used.
(3) Of aero clubs.
(4) Other than above.

D. What extra should be charged for passengers?

(1) On regular commercial routes.
  (a) Occasional flights, not more than 10 per year.
  (b) More often than above.
(2) Who are members of aero clubs.
(3) Who own a plane but employ a licensed pilot.

E. Should any distinction be made between planes equipped with parachutes and those not so equipped?

**Liquor Industry**

Another important question which will come before the actuaries is the matter of accepting risks in the liquor industry. For many years, there has been an occupational committee of the actuaries club which has formulated from time to time, Canadian life insurance policy in regard to certain hazardous occupations. Already definite policies have been laid down in regard to the rating of certain industries as the manufacture of aluminum; the railway industry; lumbering and pulp and paper and so forth. Now, after considerable study, the committee is to bring in a report on the liquor industry and this will be discussed and definite recommendations adopted.

Another matter that will be under discussion will be the matter of salary-allotment insurance. Two questions on this type of policy will be asked, namely. "Has there been much demand for this class of business?" and "How has the lapse rate compared with that on ordinary business?"

### Compensation Board Finally Appointed

From Our Own Correspondent

MONTREAL.—After many weeks of alternate rumor and silence on behalf of the Quebec government, the names of the new Commission which is to administer the Workmen's Compensation Act in the province have been announced.

Robert Taschereau, K.C., of the firm of Perron, Taschereau and Co., of Montreal, is to head the board, and he will have as colleagues Simon Lapointe, K.C., of Quebec, and O. E. Sharpe, superintendent of insurance in the Provincial Treasury Department.

The commission will have the additional aid of an advisory body of representatives of the labor movement, composing A. Mathieu, of Montreal, (representing the international unions); Thomas A. MacArthur, of Montreal, (the national unions); and Thomas Poulin and Gaudias Brosseau, of Quebec, (the catholic unions).

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How have you provided for yours?

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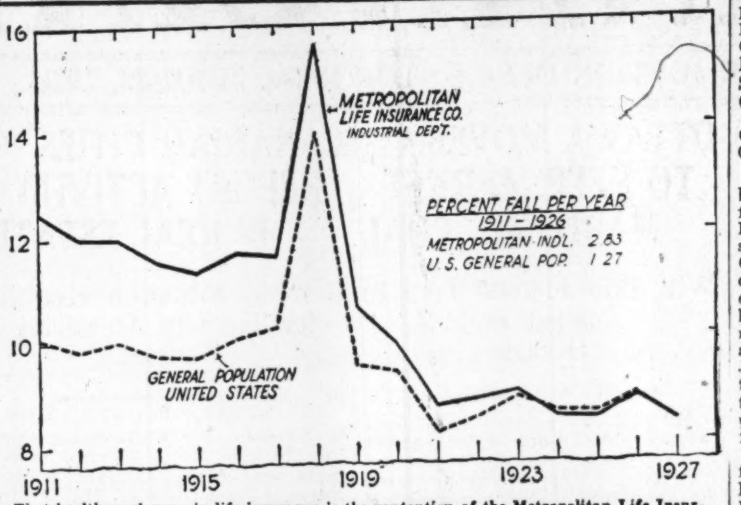
## Health Work Pays!




That health work pays in life insurance is the contention of the Metropolitan Life Insurance Co. Here is the proof. Fifteen years ago the death rate per 1,000 persons in the United States was ten. The death rate among Metropolitan industrial policyholders was over 12.5. Then the company started into an intensive campaign of health education and nursing service. The results have been so successful that the death rate among Metropolitan industrialists has decreased more than twice as fast as the ordinary death rate and now stands at a little more than eight deaths per thousand policyholders from all causes of death.

## CAN. FLOUR LEADS IN NEWFOUNDLAND

### All Big Canadian Exporters Have Agencies in Capital City

The island of Newfoundland, Britain's oldest colony, is one of Canada's best customers as a cash buyer of flour, feeds, oats and hay. About 360,000 bbls. flour (in wood of 196 lbs. net) are used in the Dominion annually, says George R. Williams, in Northwestern Miller.

Housekeepers all bake their own bread, Newfoundland women being famous for the high quality of their home made loaf. Practically all the flour used for this purpose is the very highest Manitoba patent. Every Newfoundland home buys flour by the barrel, and bread is usually baked twice weekly.

There are two large biscuit bakeries in St. John's which supply practically all the soda crackers and fancy biscuits used in the island. These concerns also manufacture a large quantity of ship biscuit, known as "hard-tack," and which is used by the fishermen. These factories are modernly equipped, and make 40 or 50 varieties of plain and sweet biscuits. The flour for this purpose is also imported from Canada, principally 90 per cent. or straight winter wheat being the grades used. It is imported in 140-lb. jutes. All buyers pay sight drafts for their supplies.

The Newfoundland customs tariff on flour and grain is the same on Canadian flour and feeds as on any other country's exports. There are no preferential clauses dealing with British Empire products, excepting a special agreement with Jamaica under which a rebate of 20 per cent. is given on the duty of goods imported from that colony.

Newfoundland, for the fiscal year ending June 30, 1927, imported the following quantities of flour, grain and feedstuffs:

| | From Canada | From England | From U. S. |
|---|---|---|---|
| Flour, bbls. | 318,406 | 40 | 49,754 |
| Feed, bags | 36,096 | 14,059 | 19,991 |
| Oats, bus. | 577,622 | 4,400 | 2,000 |
| Hay, tons | 8,294 | .... | .... |
| Straw, tons | 83 | .... | 3 |
| Oatmeal and r'l'd oats, lbs. | 293,393 | 13,466 | 763,300 |
| Corn, bags | 8,799 | 5,373 | 202 |
| Corn meal, bbls. | 8,097 | 6,404 | 2,165 |

For many years Newfoundland bought its supplies of hard wheat flour from the mills of Minneapolis and St. Louis, but since 1916 the trade has been secured and held almost exclusively by Canada. This is, of course, due to the cheapness of Canadian wheat, and no doubt lower freight transportation also has been a factor. Cargoes of flour may be loaded at the Canadian mills and delivered direct to the docks at St. John's by steamer. First class freight transportation facilities are easily obtainable by Canadian mills for the export of their grain products to Newfoundland.

The bulk of the flour sales in Newfoundland are made by the Ogilvie Flour Mills Co., Ltd., Lake of the Woods Milling Co., Ltd., Maple Leaf Milling Co., Ltd., St. Lawrence Flour Mills Co., Ltd., Western Canada Flour Mills Co., Ltd., and the Quaker Oats Co., all of which have selling agents in St. John's.

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## Wheat and Flour Exports Show Increase During May

From Our Own Correspondent

MONTREAL.—Foreign demand for Canadian wheat was somewhat larger in May last than for the corresponding period of 1927, exports having totalled 30,281,712 bushels, as compared with 28,698,115 bushels. For the ten months ended May, 1928, shipments totalled 234,181,750 bushels, valued at $306,583,787, as compared with 228,782,613 bushels, worth $314,104,446 in the [illegible] month last year.

Exports of wheat flour also [illegible] increase. During May, 886,220 barrels, worth $5,476,173 were shipped, as against 804,468 barrels, valued at [illegible]033,024 in May, 1927. Cumulative shipments for the ten months ended May last amounted to 8,367,288 barrels, valued at $52,662,808. This compares with shipments in the corresponding period last year of 7,951,924 barrels, worth $52,759,879.

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DR. EUGENE LEFEBVRE, Surgeon
Upon completion of this financing the Corporation will have $375,000 in cash with no liabilities.
OBJECTS OF THIS ISSUE
The Anglo-Canadian Insurance Corporation Limited is authorized by letters patent to transact all classes of insurance, specializing in accident and sickness on the Industrial plan, with premiums payable weekly. Under this policy for a slight additional premium the Company will pay to the insured—besides the regular indemnity—all medical cost incurred in the birth of a child to legitimate wife.
ADMINISTRATION
The different departments of the Company will be under the direction of capable, experienced men in the insurance field.
The Company prides itself on having gathered together a distinguished group of public, financial, professional and business men, all of whom have made a success of their own business undertakings.
LEGALITY
All legal details appertaining to the organization of the Company, and this present issue have been approved by the firm of Lamothe, Gadbois & Charbonneau, Montreal.
Price: $125.00 per Share of which $25 is premium.
CANADIAN INVESTMENT CORPORATION
Chamber of Commerce Building. Suite 203.
25 St. James St. East, Montreal. Tel. HArbour 4769.

# Current Events in Banking World

## BANKS NOW HAVE MILLIONS TIED UP IN WHEAT LOANS

### Late Movement of Crop Makes it All-year Business

**From Our Own Correspondent**

WINNIPEG.—At the present time the banks have much money tied up in financing grain. A glance at the wheat situation will show that the banks have a bigger job at the present time in financing wheat than they have ever had before at this season of the year. Instead of crop moving providing only seasonal employment in the main for banking funds, which is ordinarily expected to be the case, it is developing, for this year at least, into an all year business.

The reason, of course, is the great size of the crop of 1927, and the fact that so large a surplus has been carried late into 1927. The statistician of the Board of Grain Commissioners estimated that on June 1st there still remained to be exported over 125 million bushels of wheat grown in 1927. Paper representing practically all of that wheat is in the hands of the Canadian banks as security for loans made against it. The only exceptions would be the comparatively limited amount of grain held directly by farmers, and with no advances obtained on it, and grain on which loans had been secured from banking institutions in the United States.

**Always Can Cash In**

In spite of the fact that weeks, months, or often a year will elapse from the time wheat is harvested in Western Canada until it is delivered to the ultimate buyer the farmer finds no difficulty in getting cash for it whenever he likes. The money which enables him to do this is supplied by the chartered banks. It is the grain trade organization which provides the machinery through which this is done, and to some extent it supplies the funds, but in the main the money comes from the banks. Only occasionally does a farmer, who has shipped or stored his wheat, obtain a loan direct on it from the bank. Usually he finds it more convenient to secure a loan, or "advance" as it is technically called, from the company that is to handle the sale of his wheat. But when a grain company makes an advance it immediately turns around and secures a corresponding sum of money from the bank, by endorsing and depositing the documents representing the grain.

When a grain company buys grain from a farmer it is the banks which, in the main, supply the money. While a grain company could, with its own money, purchase some of the grain it handles, this would be for any company, but a small percentage of its total business.

**Banks Like Business**

There is no business which the banks like better than lending money on wheat. It is an ideal commodity to form the basis of a loan, because of its ready saleability, the fact that its value is always ascertainable, and because it keeps well and there is large provision for its storage. In addition, the borrower can protect himself against loss on his transactions by making sales ahead for future delivery.

Another factor in the case is the fact that possession of wheat, from the time it is first delivered to an elevator or a railway car, is represented by documents which can be made negotiable by endorsement. A typical document is a warehouse receipt. This is issued by a terminal elevator as soon as grain is placed in storage, and it represents the possession of a definite quantity of grain, of definite quality. The lawful holder of the receipt can at any time call for the surrender of an equivalent quantity and grade of grain.

**Documents A-plenty**

When grain is in store in a country elevator, it is represented by a "storage ticket," which is surrendered by the farmer owner when he wishes to ship his grain. In transit on the railway it is represented by the railway bill of lading, and when loaded on a vessel by the steamship bill of lading.

When an elevator company borrows upon the grain it has in its country elevators it gives the bank a general hypothecation of the grain in store. As this is moved out the company deposits with the bank, first, the railway bills of lading and later the terminal elevator warehouse receipts covering the grain deposited.

**One Loan After Another**

There are likely to be several loaning transactions in respect to the same parcel of grain before it is delivered overseas. What may be called the primary loan will finance it from the time of delivery at the country station, until it is ready to be sold from the terminal elevator at the head of the lakes or at Vancouver. The buyer there will pay for it in cash and the original loan will be paid off.

But the banks do not then get their money out of the business. The first loaning transaction is replaced by a second one, this time with the export company in possession of the grain. The exporter receives from the shipping company, when his grain is aboard, a bill of lading, and from the government a certificate of inspection covering the grade of his grain. These, along with an insurance policy, he delivers to the bank as security for the loan which financed the purchase, and the bank sends them forward to its eastern office to be ready for the next transaction.

**Still Another Loan**

The third phase of the bank's interest in the grain develops at the seaboard. The loan which has financed the grain so far is paid off, with funds secured by the sale of a bill of exchange. To this is attached the ocean bill of lading and the government certificate of grade and the bill is drawn upon the importer abroad, instructing him to pay the agreed price upon arrival of the grain. It may be the same bank which discounts this bill or the exporter may make his arrangements with another bank, especially if the grain is shipped from New York.

If it is the Canadian bank which discounts the bill, its funds are still tied up in financing the grain. It may either sell the bill, as a transaction in international exchange, or send it to correspondents abroad for collection, and sell other exchange against it.

On grain that is handled through the wheat pool the call for banking accommodation is somewhat less, although still considerable. The wheat pool member, by accepting his money in several payments extended possibly over a whole year, himself carries some of the burden of financing his own wheat. In some cases, of course, when his initial payment is not sufficient to enable him to meet his obligations, the burden is passed on to implement companies, local storekeepers and other creditors, and the banks, on that account, may be called on to advance through other channels more money than would otherwise be the case. At the beginning of the season, the pool, advancing one dollar per bushel on wheat, may have to borrow practically the whole amount from the banks. As the season advances, and sales are made at more than that price, the pool acquires funds which enable it to make further advances. In an ordinary season the pool may actually be carrying a considerable cash surplus before final distribution is made at the end of the year. This year, when the pool, by its own statement, is still carrying many million bushels of unsold wheat, it is likely to require a large line of credit for a considerable time yet.

**Get Six Per Cent. for Funds**

Six per cent. is at present the standard rate on grain business. From sources in the United States the grain trade has recently been offered a good deal of money at a lower rate.

Advantage has been taken of some of this, but most of the grain companies are somewhat reluctant to disturb their ordinary banking connections.

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Members of the Fredericton City Club, Board of Trade, Golf Club and Rotary Club, gathered in large numbers at the City Club for the purpose of honoring W. T. Gerald, manager of the Fredericton branch of the Canadian Bank of Commerce, who will remove to Sarnia, Ont., to fill a similar position. The Fredericton City Club presented Mr. Gerald with a handsome silver tray, which is to be suitably engraved.

**Western Investments**

Those who have investments in British Columbia, with which they are not familiar, may write to us for independent reports or valuations.

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*Pemberton & Son*
*Vancouver Limited*
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Vancouver, Canada

## Bank Chat

A branch of the Bank of Nova Scotia has been opened at Welsford, N. B.

John Ross, manager of the Bank of of Nova Scotia at Bancroft, Ont., was married recently.

A. Watson, for the past ten years manager of the Fernie branch of the Royal Bank, has been transferred to the Douglas street branch in Victoria.

George R. Cottrelle, well-known financial expert of Toronto and Supervisor of Utilities, Canadian Bank of Commerce, has been added to the board of Canadian Vickers.

E. W. Beatty, K.C., President of the Canadian Pacific Railway, and Sir Herbert Holt, President of the Royal Bank of Canada, have sailed for England on the Empress of Australia.

Permission was granted by the Toronto civic property committee for the erection of a branch of the Imperial Bank at the corner of Eglinton Ave. and Mount Pleasant Road.

The Royal Bank building, a pool room and a private residence were involved in a fire which broke out at Rush Lake, Sask., when damage amounting to about $10,000 was done. The three buildings were destroyed.

Captain Alan Cockerman, D.S.O., for many years on the staff of the Canadian Bank of Commerce in Toronto and New York, has joined the staff of F. M. Connell, mining engineer, Toronto, as office manager.

A. E. Millson, accountant in the Bank of Commerce, Milton, has been appointed manager of the Lucknow branch. Mr. Millson started as a junior in the Lucknow branch 14 years ago, and returns to become manager.

C. D. Walker, who has been manager of the Melfort branch of the Royal Bank for the past three and a half years, has been transferred to Regina. He is succeeded in Melfort by W. G. Crichton, of Cabri, Sask.

The Standard Bank of Canada is opening a branch at Bay and Dundas Streets, making a total of 26 branches of this institution in Toronto, and 230 throughout Canada. T. L. McPhaden, who was formerly in charge of the Bathurst and Dundas Streets branch of the bank, has been appointed manager.

Sydney B. Gearing is retiring from the managership of Picton Standard Bank on July 1st. Mr. Gearing has been manager of the Standard Bank in Picton for over 24 years and has been a Standard Bank manager for 40 years. His first bank was in Brighton, Ont. Mr. H. R. McHoule, Napanee, will succeed Mr. Gearing on July 1st. Mr. McHoule came to Napanee two or three years ago, succeeding Roy White.

R. H. Urquhart has been appointed manager of the new branch office in Kitsilano district of Vancouver at 2735 Fourth ave., opening this week by the Bank of Nova Scotia. The new office will be called the Fourth ave. and Stephens Street branch. Mr. Urquhart, a resident of Vancouver since 1910, has been with the Bank of Nova Scotia for 14 years. He is well known in Kitsilano, having attended school there at one time.

The death occurred at Lake Lawn, Grimsby, of William Manson, in his 82nd year. Mr. Manson was up to the time of his retirement in 1906 in the service of the Canadian Bank of Commerce, having been manager for many years at Peterboro and the College and Spadina branch in Toronto. Previously he had been in the old Gore Bank of Hamilton, his native city, though he received his earliest business training in Thurso, Scotland, the home of his family.

D. T. Neil, St. Mary's, Ont., manager of the Bank of Montreal, has received word of his transfer to the managership at Trenton. Mr. Neil came to St. Mary's three years ago, having been an inspector for some years up to that time. Mr. Neil's successor will be Mr. A. G. Loughray, who comes from the Royce Ave. branch, Toronto. Mr, Loughray is well and favorably known in the district to which he is going. In 1914-15, when quite a young man, he was manager of the Merchants Bank at Granton, being promoted later to Wallaceburg and then to Royce Ave., Toronto.

Construction of the new 5-story building to be erected at the north-west corner of 101 street and Jasper-avenue for the Canadian Bank of Commerce is to be carried out by H. G. Macdonald, Edmonton contractor.

The cost of the building is expected to run about $400,000, and, when completed, it will be one of the finest banking offices in the west. It will be faced with stone, while the interior will be laid out so as to provide commodious offices for the bank staff, numerous safety deposit vaults and extensive space for the public. At the rear, there will be space provided for stores, while the upper floors will be leased as offices.

S. L. Cork, western supervisor of the Royal Bank of Canada was elected chairman of the western sub-section of the Canadian Bankers' Association at the annual meeting held in Winnipeg Thursday. He succeeds J. S. Turner, supervisor of the Standard Bank. F. L. Patton, assistant manager of the Dominion Bank, was elected vice-chairman of the sub-section.

As a souvenir of his years in Winnipeg, F. Hedley Marsh, western superintendent of the Bank of Toronto, was presented with a handsome cigarette case by his associates in the association. Mr. Marsh is soon leaving for Toronto to assume his new duties as assistant general manager of the bank.

Thomas Williams, of Hoey, Sask., a well-known farmer in the Prince Albert district and formerly a banker, passed away recently. The late Mr. Williams resided in Northern Saskatchewan since 1908, going to Prince Albert from Qu'Appelle as manager for the Northern Crown Bank.

The late Mr. Williams was born at Mitchell, Ont., 56 years ago last April. His parents moved to Collingwood, Ont., shortly after. As a young man he became one of the staff of the Collingwood branch of the Bank of Toronto. Concluding 22 years of service with the Bank of Toronto, he resigned to take the position of paymaster for the Lake Superior Corporation. He later came to Winnipeg during the administration of Sir Daniel McMillan, in the Northern Crown Bank, and became a member of the inspection staff. He was transferred as manager of the Qu'Appelle branch of the bank for two years, coming to Prince Albert as branch manager in 1908.

He was manager of the Prince Albert clearing house for a time.

The steamer Montcalm, sailing from Montreal for London, carried 23 kegs, each weighing approximately 200 pounds, filled with British sovereigns. The gold—one million dollars—is being sent to Lloyd's Bank, Limited, by the Imperial Bank of Canada.

It is a long time since the British sovereign has been in common circulation in Canada; nevertheless, there seems to be little movement of gold from Canada to England and this shipment is somewhat unique. It is also highly probable that a good percentage of these coins is Canadian gold, minted in Canada, for until recent years the Canadian Mint turned out sovereigns.

A Canadian gold coinage was established at the Ottawa Mint, largely through the efforts of the late D. R. Wilkie, at that time general manager of the Imperial Bank of Canada. The transaction is made possible owing to a favorable exchange situation. The pound sterling is now valued well above the gold point in America and elsewhere. Gold is flowing into London from many parts of the world.

**Hamilton Industry Nearly Ready**

The new industry at Hamilton known as The Canadian General Machineries Limited, will commence within five or six weeks in a west-end plant, employing about one hundred men at first and later two hundred. It is an amalgamation of the Wettlaufer Company with plant at Mitchell, and the L. & P. Company of Niagara Falls, together with Hamilton interests.

**Montreal Aircraft Exhibition**

Montreal's first Aircraft Exhibition is to be held July 7th to 15th and plans are fast maturing, with the support of the Federal Government and numerous institutions and organizations interested in aeronautics.

## Weekly Bank Clearings

(As compared with same week last year)

| Eastern Cities | June 16, 1927 | June 14, 1928 |
|---|---|---|
| Halifax | $ 3,098,027 | $ 3,989,342 |
| St. John | 2,715,462 | 3,437,061 |
| Moncton | 919,306 | 967,880 |
| Quebec | 7,134,180 | 7,585,044 |
| Sherbrooke | 954,348 | 1,024,167 |
| Montreal | 123,818,133 | 164,959,898 |
| Ottawa | 7,517,964 | 9,286,309 |
| Kingston | 788,768 | 1,016,643 |
| Peterboro' | 871,634 | 942,764 |
| Toronto | 122,746,759 | 160,665,296 |
| Hamilton | 6,102,945 | 7,397,960 |
| Brantford | 1,096,768 | 1,535,128 |
| London | 3,511,104 | 3,738,287 |
| Kitchener | 1,151,064 | 1,512,281 |
| Chatham | 709,429 | 807,819 |
| Windsor | 4,899,287 | 5,271,036 |
| Sarnia | 774,987 | 705,635 |

| Western Cities | June 16, 1927 | June 14, 1928 |
|---|---|---|
| Fort William | $ 1,020,115 | $ 1,462,371 |
| Winnipeg | 44,090,825 | 60,243,026 |
| Brandon | 514,811 | 737,581 |
| Regina | 4,018,280 | 5,670,657 |
| Moose Jaw | 1,159,162 | 1,275,557 |
| Saskatoon | 1,905,547 | 2,536,717 |
| Lethbridge | 469,387 | 675,731 |
| Edmonton | 4,833,072 | 6,476,836 |
| Calgary | 8,595,197 | 10,758,841 |
| New Westminster | 838,657 | 837,897 |
| Prince Albert | 400,450 | 483,222 |
| Vancouver | 17,615,029 | 20,189,044 |
| Victoria | 2,300,036 | 2,523,255 |
| Medicine Hat | ....... | 436,341 |

## Canadian Paperboard Company, Limited

### FINANCIAL STATEMENT
For Year Ending March 31, 1928

**ASSETS**

| | | | |
|---|---|---|---|
| Cash | | $ 9,075.18 | |
| Accounts and Bills Receivable (less Reserve of $10,000.) | | 183,990.46 | |
| Inventories | | 190,884.72 | |
| | | | 383,950.36 |
| Machinery, Repair Parts and Supplies | | 36,405.40 | |
| Prepaid Charges to Operations | | 9,865.42 | |
| | | | 46,270.82 |
| Loans and Investments | | | |
| Associated Companies | | 849,584.14 | |
| Shareholders | | 9,307.91 | |
| | | | 858,892.05 |
| Land, Buildings, Plant, Machinery, Water Power Rights and Equipment | | 2,461,429.23 | |
| LESS: Reserve for Depreciation | | 408,068.84 | |
| | | | 2,053,360.39 |
| Bond and Share Discount and Expense | | | 20,155.48 |
| Goodwill | | | 319,351.95 |
| | | | $3,741,990.05 |

**LIABILITIES**

| | | | |
|---|---|---|---|
| Accounts and Bills Payable | | | $ 225,116.02 |
| Due to Associated Companies | | | 71,321.08 |
| Reserve for Taxes | | | 3,745.00 |
| 7% First Mortgage Bonds due 1937 | | | |
| Authorized | $1,500,000.00 | | |
| Issued | | 1,040,000.00 | |
| LESS: Cancelled through Sinking Fund | | 160,000.00 | |
| | | | 880,000.00 |
| CAPITAL | | | |
| Authorized 50,000 Shares of $100. each | $5,000,000.00 | | |
| Issued | | | |
| 7% Cumulative Preferred Stock Balance 1st April, 1927 | 325,000.00 | | |
| Subscribed and paid for during year | 22,500.00 | | |
| | | 347,500.00 | |
| Common Stock | | 2,100,500.00 | |
| | | | 2,448,000.00 |
| Profit and Loss Account | | | 103,807.95 |
| | | | $3,741,990.05 |

CONTINGENT LIABILITIES:—

| | | |
|---|---|---|
| Bills Receivable discounted | $51,697.00 | |
| Guarantee to Bankers | 30,000.00 | |
| Balance of Expenditure on Construction of New Mill at Toronto | .......... | |

J. G. G. KERRY,
DAVID F. ROBERTSON, } Directors.

### PROFIT AND LOSS ACCOUNT
For Year Ending 31st March, 1928

| | | |
|---|---|---|
| Sales | | $1,738,109.78 |
| Sales to Company's Own Mills | | 38,904.33 |
| | | $1,777,014.11 |
| Cost of Goods Sold, exclusive of Depreciation for Year | | 1,489,188.22 |
| GROSS PROFIT | | 287,825.89 |
| ADD: Dividends, Interest, etc., received | | 23,435.66 |
| | | $ 311,261.55 |
| DEDUCT:— | | |
| Salaries and Expenses of Directors, Clerical Staff and Travellers | $ 75,165.66 | |
| Sundry Expenses, Discount, etc. | 38,067.97 | |
| | | 113,233.63 |
| PROFIT for Year before providing for Depreciation, Bond Interest and Discount | | 198,027.92 |
| DEDUCT: | | |
| Bond Interest | $ 54,430.92 | |
| Bond Discount and Expense | 8,523.16 | |
| Depreciation | 40,000.00 | |
| | | 102,954.08 |
| NET PROFIT for Year subject to Income Tax | | 95,073.84 |
| DEDUCT:— | | |
| Dividends:— | | |
| Preferred Stock | 23,931.25 | |
| Common Stock | 31,307.50 | |
| | | 55,438.75 |
| | | 39,635.09 |
| ADD: Balance at Credit 31st March, 1927 | | 64,172.86 |
| Balance at Credit 31st March, 1928 | | $ 103,807.95 |

AUDITORS' CERTIFICATE.

Audited and found correct, subject to our report of this date.

(Signed) CLARKSON, McDONALD, CURRIE & CO.,
Chartered Accountants.

Montreal, May 22nd, 1928.

## Banker Condemns Meaningless Replies on Credit Standing

Millions of dollars are wasted annually by business houses in exchanging meaningless inquiries for credit information for equally meaningless replies, it was said in an address by C. A. Rude, vice-president of the Citizens National and Trust Bank, of Los Angeles, before the Seattle convention of the National Association of Credit Men.

Mr. Rude said that credit inquiries generally are unsatisfactory because they are improperly used, and that millions spent for postage, stationery and clerical hire entailed in seeking credit information is wasted.

"Bankers recognize the giving of credit information as an important and necessary function," he said "They attempt to co-operate with seekers of information whenever it is possible to do so, but if the amount of credit involved in an inquiry does not justify an intelligent statement of facts from the seeker of the information, as well as his reason for wanting the data and his own experience with the account, the answer to an inquiry will be worth about as much as the opinion of the office boy who filled out the form request."

He said that the bank is the common denominator of credit because it is the only credit information source that comes in contact with all the steps in the processes of production and distribution.

"From the viewpoint of the bank, the giving of credit is a necessary and desirable function," he said. "It aids the customer in establishing and maintaining his business, and it helps to stabilize business in general by lessening fraudulent or otherwise undesirable enterprises."

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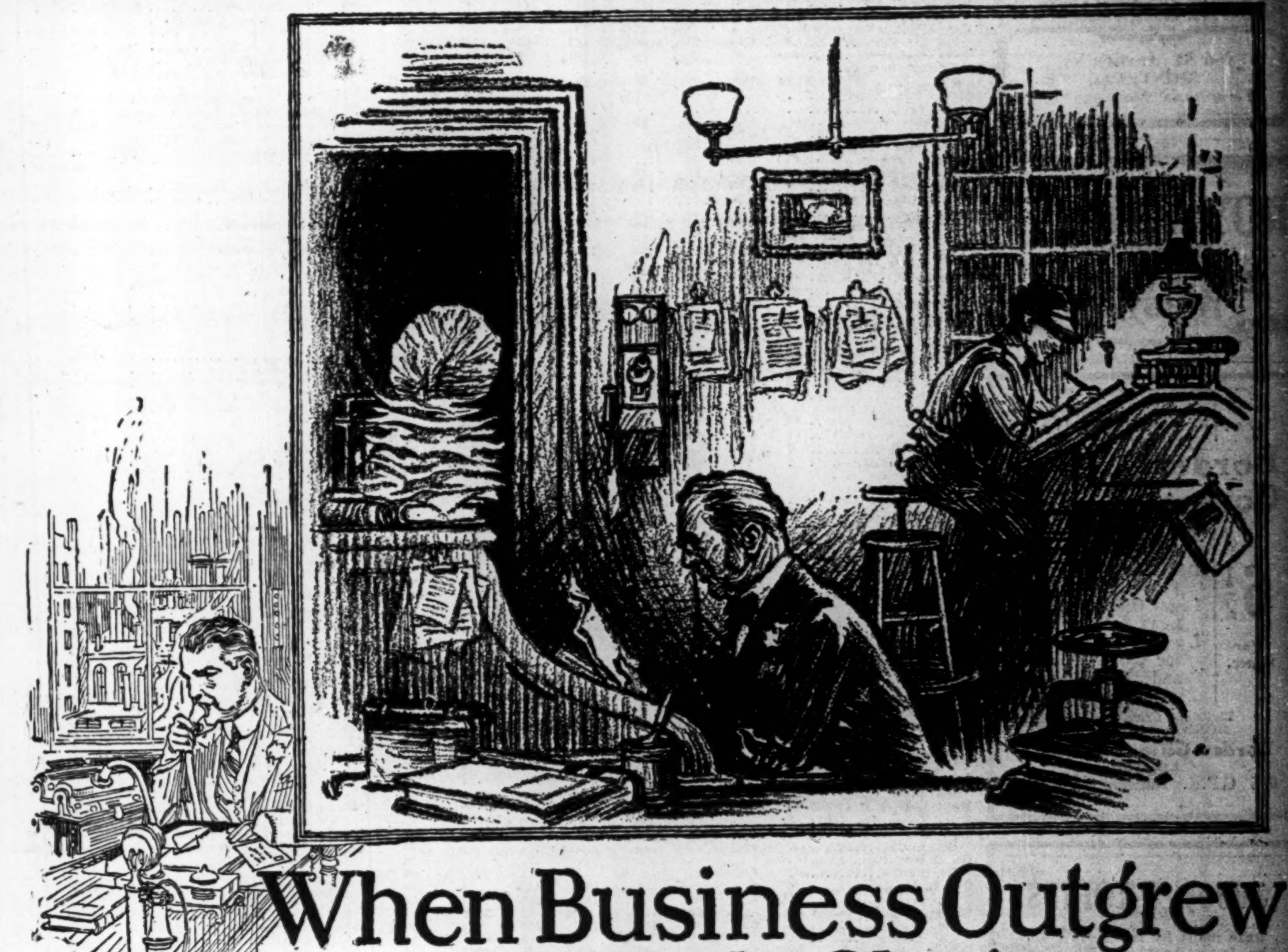

# When Business Outgrew its High Chair

NOT so very long ago business men looked askance at the "new-fangled" method of office routine. The adding-machine, the accounting-machine, and even the typewriter, were novelties, regarded with distrust.

Over bulky ledgers stooped weary clerks, perched on high stools, carrying interminable columns of figures in their heads. Correspondence was duplicated by means of the letter-press. Office hours were from six a.m. to six p.m. Extra work spelt overtime . . . in an office where an oil-lamp or a flickering gas-jet cast eerie shadows.

Today, business has a different story to tell. Electrically operated adding and accounting machines solve all the intricate problems of book-keeping, with never a mistake. Electric sorters and tabulators . . . electric addressing and sealing machines . . . dictating, transcribing and duplicating machines . . . perform unerringly and with lightning rapidity the tasks that racked the minds and nerves of past generations. Electric light and electric fans contribute to the cheerfulness and healthfulness of the modern office.

Business has outgrown the high chair and the roll top desk. Business today demands speed, accuracy and freedom from human drudgery. It demands instant response to sudden calls upon its resources. It demands, in short, just such efficiency as modern electrical business machinery makes possible.

Thus, in many ways, from the giant generators to the fractional horse power motors for the operation of modern business equipment, Canadian General Electric Company is daily and hourly contributing to the progress of Canadian business and the welfare of Canadian workers.

CGE-428XX

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### Land Revenue Up

An increase of $12,140 was shown in the revenue collected by the Dominion Lands Office here during May, as compared with May last year, the total being $39,844, pointing to a marked increase in prosperity. Twenty homesteads were filed on during May as well as one soldier grant, compared with sixteen and two, respectively, in May, 1927.

## Stock Market Record

WEEK ENDING JUNE 19

| | Div. Rate | Yield June 19 | High for wk. | Low for wk. | Close June 19 | Close June 12 | Sales for wk. | Range 1928 High | Low |
|---|---|---|---|---|---|---|---|---|---|
| **Banks—** | | | | | | | | | |
| Commerce | 12+1 | 4.42 | 294 | 290 | 290 | 290 | [illegible] | [illegible] | [illegible] |
| Dominion | 12+1 | 4.98 | 261 | 260 | 261 | 268 | [illegible] | [illegible] | [illegible] |
| Can. Nationale | 10 | 5.26 | 190 | 190 | 190 | [illegible] | [illegible] | [illegible] | [illegible] |
| Imperial | 12+1 | 4.10 | 263 | 261 | 261 | [illegible] | [illegible] | [illegible] | [illegible] |
| Montreal | 12+1 | 4.00 | 265 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Nova Scotia | 16 | 4.90 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Standard | 12+1 | 3.68 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Toronto | 12+1 | 4.83 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Royal | 12+1 | 4.31 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| **Paper—** | | | | | | | | | |
| Abitibi, com. (n.p.) | 4 | 6.55 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Do. pref. | 6 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Belgo Can., pref. | 7 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Brompton (no par) | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |


| | Div. Rate | Yield June 19 | High for wk. | Low for wk. | Close June 19 | Close June 12 | Sales for wk. | Range 1928 High | Low |
|---|---|---|---|---|---|---|---|---|---|
| Famous Players, c. | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

*Arrears. xQuotations for 1927. No sales recorded in 1928 to date.

### Bond Movements of the Week

Week Ending June 19

| Bonds | Int. Rate | Due | Yield June 19 | Range 1927 High | Low | Range 1928 High | Low | Latest Price Bid | Ask |
|---|---|---|---|---|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

A. J. Pattison, Jr. & Co.
LIMITED
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"Specialists Unlisted Bonds and Stocks"
219 Bay Street, (Ground Floor) Toronto

## Unlisted Stocks

These prices are mostly as at June 19, and while obtained from reliable sources, cannot be guaranteed.

### Industrial Stocks

| | Bid | Asked |
|---|---|---|
| A. W. Chase, com. | $ 2.00 | $ 5.00 |
| A. W. Chase, pref. | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] |

### Insurance

| | Bid | Asked |
|---|---|---|
| British America | [illegible] | [illegible] |
| Canadian Fire, full pd. | [illegible] | [illegible] |
| Canada Life | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] |

### Mortgage, Loan, Etc.

| | Bid | Asked |
|---|---|---|
| British Mortgage & Trust | $207.00 | [illegible] |
| [illegible] | [illegible] | [illegible] |

### Club Shares

| | Bid | Asked |
|---|---|---|
| Bayview Golf | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] |

### Recent London Quotations

| | Sales |
|---|---|
| Calgary Power | [illegible] |
| [illegible] | [illegible] |

### Recent Vancouver Quotations

| | Bid | Asked |
|---|---|---|
| B. C. Telephone, pref., new 6% | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] |

### Recent Winnipeg Quotations

| | Bid | Asked |
|---|---|---|
| Beaver Fire Co. | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] |

## Unlisted Bonds

| | Bid | Asked |
|---|---|---|
| Abitibi Fibre, 6s, 1947 | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] |

### NEW YORK CURB

| | Close June 6 | Close June 13 | Close June 20 |
|---|---|---|---|
| Can. Marconi | [illegible] | [illegible] | [illegible] |
| Dom. Stores | [illegible] | [illegible] | [illegible] |
| Ford Canada | [illegible] | [illegible] | [illegible] |
| Imp. Oil | [illegible] | [illegible] | [illegible] |
| Inter. Petol. | [illegible] | [illegible] | [illegible] |
| Do. "B" | [illegible] | [illegible] | [illegible] |
| Nipissing | [illegible] | [illegible] | [illegible] |
| Noranda | [illegible] | [illegible] | [illegible] |
| Premier Gold | [illegible] | [illegible] | [illegible] |

### Open Seattle Office

C. M. Oliver & Co., of Vancouver, stock, bond, and grain dealers, have announced the opening of a branch office in the Dexter Horton building at Seattle, Washington. H. C. Wilson will be manager of the new office.

PICCADILLY

IT IS a mark of good taste on the part of any smoker to prefer Piccadilly. Men of prominence—men whose preferences set the standards for the nation—smoke Piccadilly.

In patent hermetic tins at twenty-five cents.

BY APPOINTMENT TO H.R.H. THE PRINCE OF WALES

Piccadilly
SMOKING MIXTURE

## Stock Market

### MARKET INDICATOR

| | | High | Low |
|---|---|---|---|
| **25 Industrial Stocks** | | | |
| Week of June 20 | [illegible] | [illegible] | [illegible] |
| Week of June 13 | [illegible] | [illegible] | [illegible] |
| Month of June, 1927 | [illegible] | [illegible] | [illegible] |
| **9 Bank Stocks** | | | |
| Week of June 20 | $299 | [illegible] | [illegible] |
| Week of June 13 | [illegible] | [illegible] | [illegible] |
| Month of June, 1927 | [illegible] | [illegible] | [illegible] |
| **7 Public Utilities** | | | |
| Week of June 20 | [illegible] | [illegible] | [illegible] |
| Week of June 13 | [illegible] | [illegible] | [illegible] |
| Month of June, 1927 | [illegible] | [illegible] | [illegible] |

### WEEK'S GAINS AND LOSSES

| | Gains | Losses | Unch. | Total |
|---|---|---|---|---|
| Banks | [illegible] | [illegible] | [illegible] | [illegible] |
| Paper | [illegible] | [illegible] | [illegible] | [illegible] |
| Steel | [illegible] | [illegible] | [illegible] | [illegible] |
| Foodstuffs | [illegible] | [illegible] | [illegible] | [illegible] |
| Utilities | [illegible] | [illegible] | [illegible] | [illegible] |
| Tractions | [illegible] | [illegible] | [illegible] | [illegible] |
| Textiles | [illegible] | [illegible] | [illegible] | [illegible] |
| Industrials | [illegible] | [illegible] | [illegible] | [illegible] |
| Total | 57 | 127 | 113 | 297 |

## Foreign Exchange

### NEW YORK FUNDS

| | High (Premium) | Low | High (Discount) | Last par |
|---|---|---|---|---|
| June 14 | [illegible] | [illegible] | [illegible] | [illegible] |
| June 15 | [illegible] | [illegible] | [illegible] | [illegible] |
| June 16 | [illegible] | [illegible] | [illegible] | [illegible] |
| June 18 | [illegible] | [illegible] | [illegible] | [illegible] |
| June 19 | [illegible] | [illegible] | [illegible] | [illegible] |
| June 20 | [illegible] | [illegible] | [illegible] | [illegible] |

### STERLING, FRANCS AND LIRE

| | Sterling Close | Francs Close | Lire Close |
|---|---|---|---|
| June 14 | [illegible] | [illegible] | [illegible] |
| June 15 | [illegible] | [illegible] | [illegible] |
| June 16 | [illegible] | [illegible] | [illegible] |
| June 18 | [illegible] | [illegible] | [illegible] |
| June 19 | [illegible] | [illegible] | [illegible] |
| June 20 | [illegible] | [illegible] | [illegible] |

### FOREIGN EXCHANGE

| | Par | June 13 | June 20 |
|---|---|---|---|
| Italian | [illegible] | [illegible] | [illegible] |
| German | [illegible] | [illegible] | [illegible] |
| Belgian | [illegible] | [illegible] | [illegible] |
| Japanese | [illegible] | [illegible] | [illegible] |

## Flood Barnes Active Bond Prices

| | Price | Rate | Years to Maturity | Next int. Date | Yield |
|---|---|---|---|---|---|
| Abitibi Pwr. & Paper Gen. 6s, due '40 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

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Members: Montreal Curb Market.
ROYAL BK. BLDG. TORONTO ELGIN 6448.

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Newman, Sweezey & Co.
LIMITED
136 St. James Street Montreal

# CAN. CONTRACTORS WANT BUSINESS OF CANADIANS

## Firms May State Their Case to Public—Foreign Companies in Field

**From Our Own Correspondent**

MONTREAL.—A number of the larger Canadian contracting companies have banded together in an effort to see that more Canadian contracts are placed with Canadian contractors. Several of the larger firms are in hearty sympathy with the movement and it is anticipated that other firms will associate themselves in an effort to make more widely understood the nature of their case.

The Canadian contracting companies have noted with concern the increasing tendency on the part of some Canadian industrialists and promoters to place contracts for construction work with foreign contracting firms which enter Canada to-day and are gone to-morrow.

One leading firm indicated to The Financial Post that there was a probability of a group of contractors broadcasting to the public, the names of prominent Canadians with businesses so highly protected by tariff that the public has no opportunity of purchasing other than Canadian-made commodities; yet, when these same manufacturers have purchased the services of contractors, they have gone to the United States with their contracts for building or construction.

**Here To-day, Gone To-morrow**

The U.S. firms operating in Canada through subsidiaries, are, of course, not the target of the present efforts of the contractors. Many of these firms have operated for years in Canada and in some instances have built up a comparatively large investment following. The feeling is directed against the employment of U.S. contractors who are here to-day and gone to-morrow.

With construction active as it is at present, some U.S. firms rush into the Dominion and carry out contracts, but they do not carry their load in the Dominion, year in and year out. They take money out of the country and add little to the general level of prosperity.

**Have Excellent Record**

Canadian contractors point with pride to their record of achievement. It includes all types of construction such as Hart House, Chateau Apartments, Wayagamack Paper Mills, Chateau Frontenac, Toronto Union Station, Anglo Canadian Paper Mills, Royal York Hotel, Toronto, and Royal Bank, Montreal.

The contractors say that if Canadians can carry out jobs of this magnitude, they are equally well able to carry out any business which the Dominion may offer. In other words, the Canadian contractors can do as good — and probably a better — job than their U.S. competitors.

**Never Asked for Aid**

Contractors point to the fact that their business is one of the few which does not receive the benefits of protection and that it has never sought any artificial aids to prosperity. Contracting firms in Canada are, to all intents and purposes, precluded from entering the U.S. construction field. The companies affected point to other countries and say that French contracting work does not go to English firms nor does English work go to French firms.

The Canadian contractors also make the point that they have not made unduly large profits in the past, as the annual reports of the companies bear ample witness.

The Canadian contractors do not fear American competition. But they say that unfair competition manifests itself in this line of endeavor just as it does in manufacturing. They say that a company which operates solely in the United States is often able to quote a price in Canada below the fair market value of the work, due to conditions which may be prevalent in the United States, just in the way American manufacturers would be able to dump goods in this country were it not for the anti-dumping legislation.

Apparently, there is no intention on the contractors' part to ask for any protective measures, as they feel that they can rely on the good judgment of Canadians once they realize that contracting services can best be purchased domestically.

# DOVER IS MANAGER KINGSTON C. OF C.

## Limestone City Has 500 Members in Live Board of Trade Body

In the effort to build a Greater Kingston, a new Chamber of Commerce has just been organized in that city. Approximately 500 members have been secured as a result of a membership campaign extending over the last five or six weeks.

Signing up members over a three-year period, plus a grant from the city, gives the new Chamber of Commerce adequate financial backing.

The objective is to secure more industries for Kingston: to secure more

WM. C. DOVER

conventions; to secure a greater share of the tourist business. Effort will be made to collate data concerning the advantages of Kingston and district and also place this information before the right channels.

William C. Dover has been appointed manager. Mr. Dover is a former newspaper writer. He has held positions as editor and advertising manager with MacLean Publishing Co.; as account executive with the William Findlay Advertising Agency, and more recently as sales manager of an automotive service organization operating throughout the Province of Ontario.

**Hop Crop Larger**

Fifty per cent. more workers will be needed to harvest this year's hop crop in the vicinity of Chilliwack, Sardis and Sumas than in 1927, according to Mr. J. H. McVety, superintendent of the Dominion Employment Service, British Columbia branch. Following an inspection of the hop fields, Mr. McVety estimates that about 2,000 men, women and children will be required when the picking season starts in August. A larger yield of hops is anticipated this summer, owing to the greater maturity of the vines.

# SLOWER SALES OF LOAN ASSETS NOW PREDICTED

## Standard Reliance Has Paid 59 Per Cent. of Preferred Claims

Standard Reliance Assets, Ltd., the company formed eight years ago to realize on the assets of the Standard Reliance Loan Co., which was in receivership, is shown by the annual report published this week to have had a total revenue of $175,052 in the year ended December 31, compared with $188,630 the year previous. Deducting the maintenance of properties and other costs, $40,727 was added to surplus.

In the course of the year, the company paid to preferred shareholders 5 per cent. by way of return of principal. Preferred shareholders in the company were depositors and other preferred creditors of the loan company. So far they have received 59 per cent. of their capital. It is hoped that 100 per cent. eventually be paid and that something further will be realized which will be applied by way of interest. Common shareholders, who were other creditors of the loan company, probably will receive nothing.

**Assets Exceed Preferred Claims**

Net assets of the company now are valued at $2,654,548. Against these is the net liability to preferred shareholders of $2,242,711, some $3,103,636, or about 59 per cent. having been paid off, exclusive of accrued interest.

L. V. Wright, secretary of the company, again points out that the remaining properties of the company probably will not be disposed of so rapidly as earlier properties, as what is left are scattered and are not in large parcels of ready sale in advance of development of the districts in which these are located. The properties in downtown Toronto, comprising principally the Yonge Street Arcade, are all rented and revenue producing. Other properties consist largely of vacant lands carried either by the company or its subsidiary, the Dovercourt Land, Building & Savings Co., which are within the corporate limits of Toronto. Western Lands are carried on the books as worth $20,000.

Following is a comparative summary of the statement of revenue and expenses for the last three years:

| | 1927 $ | 1926 $ | 1925 $ |
|---|---|---|---|
| Gross revenue ... | 175,051 | 188,630 | 238,866 |
| Maintenance cost | 103,738 | 101,892 | 106,222 |
| Operating exp. .. | 30,586 | 31,711 | 33,825 |
| Net income ...... | 40,727 | 55,027 | 98,819 |
| Surp. in excess of valuations ..... | 730 | x15,265 | ...... |
| Trans. from surp. of sub. co's. ... | 100,000 | 200,000 | ...... |
| Prev. balance .... | 262,836 | 23,073 | ...... |
| Total surplus .... | 404,293 | 262,836 | 23,073 |

xApplied in reduction of certain valuations.

# Metropolitan Stores Listed in Montreal

**From Our Own Correspondent**

MONTREAL.—The common shares of the Metropolitan Chain Stores, Inc., have been listed on the Montreal Stock Exchange. The company was organized in 1924, and acquired from a predecessor organization the operation of a group of 68 stores. At the present time the company is operating 93 stores in Canada and the United States. Thus it is one of the largest 5 cent to $1.00 chain store systems. At the close of last year, the Metropolitan Corporation of Canada, Canadian subsidiary, was refinanced by an issue of $1,100,000, first mortgage, 6 per cent. bonds. The reason for the listing of the stock in Montreal lies in the company's expansion in Canada. Stores are operated in ten Canadian cities. More stores are being opened. Hence, with its assets in Canada, it is natural that the company should desire to build up an investment interest in its equity securities in addition to its mortgage securities.

New stores are under construction in Montreal, Winnipeg, Vancouver, Saint John, Truro, Hull, Port Arthur, and Calgary. It is expected that 20 new stores will be opened in Canada during the current year and a larger number in 1929. Sales of the parent U.S. organization and its Canadian subsidiary have grown from $8,600,000 in 1925 to $12,200,000 in 1927.

# Grain Elevators Go Up by Score

That expansion in grain acreage and production in western Canada is anticipated, is evidenced by the active construction of new elevator space through the country and at terminals. In 1926-27 there were in Canada altogether 4,558 elevators of all kinds, with a storage capacity of 284,818,000 bushels, and that same season 142 others were added, which increased the space by 3,071,640 bushels. The present season will witness further expansion at Fort William, Port Arthur and Vancouver, not to speak of the building program in the country, which is largely in connection with the wheat pools, according to Northwestern Miller.

The Canadian lakehead ports have now room for 72,540,000 bushels of grain, but another 9,000,000 or 10,000,000 bushels space will be available by the time the 1928 crop is harvested. Montreal has increased its storage space to over 15,000,000 bushels, and Vancouver will have accommodation for nearly 12,000,000 this year, apart from the elevator at Prince Rupert and new construction at Victoria and New Westminster, which will bring British Columbia's grain storage space up to about 16,000,000 bushels.

Country elevators for the provincial wheat pools are going up fast, and there will be 1,294 operated by the three provincial pools at the beginning of August. In Manitoba 84 new houses are being built, which will bring the total to 143; the Saskatchewan pool is putting up about 125, and will then have 851 in operation; the Alberta pool is constructing about 140, to bring the total in that province to 300.

# Industrial Alcohol Profits Are Larger

**From Our Own Correspondent**

MONTREAL.—The price war now in effect between the larger industrial alcohol producers and the smaller companies, is having, apparently, no detrimental effect on the earnings of Canadian Industrial Alcohol. It is said by those informed on the operations of the company, that earnings to date are in excess of the corresponding period of a year ago and that May was the best month in the history of the company.

On its common shares, the company earned $2.48 in 1927, and $2.63 in 1926. Forecasts of earnings now being made for the current fiscal year which ends September 30 next, indicate profits of about $3.50 a share. In view of the sound working capital position occupied by the company, any such increase in earnings would permit an increase in the dividend, which at the moment is 38 cents a share every quarter.

**Hold Halifax Fair**

The re-established Provincial Exhibition at Halifax will hold its fair this year, beginning August 25th and closing September 1st. All available space for manufacturers' exhibits has already been taken up and a survey of exhibition prospects assures that all buildings will be filled. This will be the first provincial exhibition held in Halifax since the buildings were destroyed in the Halifax explosion of 1917.

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## DODGE BROTHERS, INC.

**Committee under Plan and Agreement dated June 1, 1928**

**Preference Stock**
**Common Stock Class A**
**Common Stock Class B**

The Committee has appointed National Trust Company, Limited, Toronto, Ont., an additional Depositary to receive deposits under the Plan.

Certificates of Deposit issued by such Depositary will be transferable in Toronto or in New York City. Such Certificates of Deposit have been admitted to trading on the New York Stock Exchange.

Copies of the Plan and Agreement and of literature relating to the Plan may be obtained from National Trust Company, Limited, Toronto, Ont.

The Committee has fixed June 25, 1928 as the last day for making deposits under the Plan. ***It is important that deposits be made immediately.***

Edward G. Wilmer
George W. Davison
Robert P. Lamont
*Committee*

Robert M. Benjamin, *Secretary*
31 Nassau Street, New York City

Root, Clark, Buckner, Howland & Ballantine, *Counsel*
31 Nassau Street, New York City

*New Issue*

**$2,250,000.00**

## Dominion Woollens & Worsteds

**Limited**

### First Mortgage 6% Twenty-Year Sinking Fund Gold Bonds

**Series "A"**

*Dated June 1st, 1928* — *Due June 1st, 1948*

*Principal and semi-annual interest (June 1st and December 1st) payable at the holder's option at the Bank of Montreal in Montreal, Que., Toronto, Ont., Winnipeg, Man., Vancouver, B.C., St. John, N.B., Halifax, N.S., and at the Agency of the Bank of Montreal in New York City, in United States gold coin of the June 1st, 1928, standard of weight and fineness. Redeemable as a whole or in part on any interest date on 60 days' notice at 105 and accrued interest on or before June 1st, 1933; thereafter at 104 and accrued interest on or before June 1st, 1938; thereafter at 103 and accrued interest to June 1st, 1943; thereafter and before maturity at 102 and accrued interest. Total authorized issue, $5,000,000. The remaining $2,750,000 of bonds may only be issued to the extent of two-thirds of the cost or fair value, whichever is less, of additional properties acquired as defined in the Trust Deed provided that the net earnings as defined in the Trust Deed have in twelve consecutive months of the preceding fifteen months been at least twice the interest on bonds outstanding and proposed to be issued.*

*Coupon bearer bonds in denominations of $1,000, $500, and $100 which may be registered as to principal.*

*Trustee: The Royal Trust Company.*
*Solicitors for the Company: Messrs. Brown, Montgomery & McMichael, Montreal.*
*Solicitors for the Underwriters: Messrs. Long & Daly, Toronto.*
*Bankers: Bank of Montreal.*

**Legal Investment for Life Insurance Companies under the Insurance Act, 1917, Canada.**

SINKING FUND:—The Trust Deed will provide for a sinking fund of $67,500 per annum plus the interest on bonds previously redeemed, which will be sufficient to redeem approximately 75% of this issue before maturity; the first payment to be June 1st, 1931.

*From a letter written by Mr. A. O. Dawson, President, Dominion Woollens and Worsteds, Limited, and from report of P. S. Ross & Sons, Chartered Accountants, Montreal, and from appraisal made by the Canadian Appraisal Co., Limited, the following facts are taken:*

Dominion Woollens and Worsteds, Limited, has been incorporated by Letters Patent under the Companies Act, Canada, and is acquiring the business and assets of CANADIAN WOOLLENS, LIMITED, Peterborough, Ont., and the shares and/or assets of the following Companies:—R. FORBES COMPANY, LIMITED, Hespeler, Ont.; ORILLIA WORSTED COMPANY, LIMITED, Orillia, Ont.; MILTON SPINNERS, LIMITED, Milton, Ont.; OTONABEE MILLS LIMITED, Peterborough, Ont.

On completion of the plans for consolidation the Company will own and operate more woollen and worsted cards, spindles and looms than any other Company in Canada.

The properties comprise modern mills, inclusive of dyeing and finishing plants, and the constituent Companies manufacture a broad range of goods, equal in quality and appearance to similar goods produced in any part of the world. The Company will own the only wool-combing plant at present in operation in Canada and this plant, to a considerable extent, will provide the necessary tops which otherwise would require to be imported from Australia, Great Britain or the United States. The Company will also own a completely-equipped knitting plant which will take a very large quantity of the yarn made by the other mills comprising the organization.

SECURITY:—This bond issue will be secured by a First Mortgage on the real property of R. Forbes Company, Limited, of Hespeler, Ont., and its subsidiary, Orillia Worsted Company, Limited, and the Canadian Woollens Limited, Peterborough, Ont., and its subsidiary, Otonabee Mills Limited, and on all the shares of Milton Spinners Limited, and by a floating charge on all the other assets of the Company.

| | |
|---|---|
| Replacement Value, Plant and Properties, less depreciation | $4,277,611.30 |
| Net Current Assets | 1,755,084.12 |
| Total Net Depreciated Assets | 6,034,475.75 |
| Present Bond Issue | 2,250,000.00 |
| or only 40% of assets. | |

**Net Current Assets equivalent to 80% of the bond issue.**

**Net Earnings of constituent companies for four years, 1924 to 1927, inclusive, available for depreciation, government taxes, and bond interest, $415,446.97, or 3.07 times interest charges.**

**Net Earnings in 1927 available for government taxes, depreciation and bond interest, $468,632.87, or 3.50 times interest charges.**

**In Balance Sheet plant and properties carried at depreciated value; goodwill carried at $1.00; and Company has reserves and surplus of $1,682,696.42.**

*We offer the above bonds when, as and if issued and received by us and subject to the approval of all legal details by Messrs. Brown, Montgomery & McMichael, Montreal, for the Company, and Messrs. Long & Daly, Toronto, for the Underwriters. It is expected that Interim Certificates will be ready on or about June 30th, 1928.*

**PRICE: 100 and accrued interest, yielding 6.00%**

*Orders or requests for further particulars should be addressed to the undersigned.*

## W. A. Mackenzie & Co., Limited

**67 Yonge Street**
**TORONTO**

*The statements contained in this advertisement are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.*

# Canadian Vickers Limited

**DIRECTORS:**

GEORGE BARR, Montreal P.Q.
VICTOR M. DRURY, Montreal, P.Q.
JAMES PLAYFAIR, Midland, Ont.
JAMES A. RICHARDSON, Winnipeg, Man.
FRANK M. ROSS, Montreal, P.Q.
J. McL. STEPHEN, Montreal, P.Q.
N. A. TIMMINS, Montreal, P.Q.

**OFFICERS:**

JAMES PLAYFAIR, President.
FRANK M. ROSS, Vice-President.
J. W. SAVIDANT, Treasurer.
GEORGE BARR, Vice-pres. & Managing Director.
F. G. WILSON, Secretary.

**GENERAL OFFICES AND WORKS:**
3072 Notre Dame Street East, Montreal, P.Q.

## ANNUAL REPORT

*For the Fiscal Year Ended February 29th, 1928*

TO THE SHAREHOLDERS—

Your Directors submit herewith the Balance Sheet and Profit and Loss Account of the Company for the Fiscal Year ended February 29th, 1928.

After making full allowance for Interest, Taxes, Depreciation, and Preferred Dividends, the sum of $129,448.81 remained at the credit of Profit and Loss Account.

Sales for the past year have been approximately twenty-three per cent. in excess of the previous year. This improvement has been participated in by all departments. In this respect it will be of interest to note that the Volume of Sales booked for the two months following the close of the Fiscal Year, that is, for March and April, 1928, totalled $970,000, which compares with $290,000 for the same period a year ago.

Unfinished Orders at the close of the Fiscal Year amounted to $2,377,000.

The Plant Assets have been maintained in good repair throughout the period. An addition was made to the Aircraft Shop involving an expenditure of $35,000; this amount has been added to Fixed Assets.

The year under review has seen the consummation of the transfer of ownership and control of the Company from Messrs. Vickers Limited to yourselves, or in other words, to purely Canadian interests, and under the changed conditions, your Directors look forward to a substantial and steady improvement in your business.

Your Board of Directors wish to express their sincere appreciation of the efficient services rendered by the officers and employees throughout the period.

Submitted on behalf of the Board.

JAMES PLAYFAIR,
President.

## Balance Sheet

*as at February 29th, 1928*

**ASSETS**

| | | |
|---|---|---|
| **FIXED ASSETS—** | | |
| Real Estate, Leasehold, Buildings, Floating Dock, Plant and Equipment as per Valuation by Coverdale & Colpitts dated 30th Sept., 1927, with subsequent additions at cost | $6,163,840.63 | |
| Less—Reserve for Depreciation | 170,922.06 | $5,992,918.57 |
| **CURRENT ASSETS—** | | |
| Stores and Supplies $ 874,864.09 Less—Reserve 87,794.36 | $ 787,069.73 | |
| Work in Progress $1,237,645.92 Less—Amount Invoiced 870,743.33 | 366,902.59 | |
| Accounts and Bills Receivable $ 956,823.54 Less—Reserve 38,144.53 | 918,679.01 | |
| Vickers Limited, England and Associated Companies | 11,939.63 | |
| Investments in, and advances to, Subsidiary Companies | 70,000.00 | |
| Dominion Government Subsidy | 16,154.00 | |
| Contract Guarantee Deposits | 19,982.00 | |
| Cash in Bank and on Hand | 37,184.70 | |
| | $2,227,911.66 | |
| Taxes, Insurance, etc., paid in advance | 68,203.89 | 2,296,115.55 |
| **OTHER ASSETS—** | | |
| Dominion Government Claims on Dredger, Trawler and Drifters | $ 473,482.28 | |
| Ideal Patent Corporation Special Advances | 12,300.00 | 485,782.28 |
| | | $8,774,816.40 |

**LIABILITIES**

| | | |
|---|---|---|
| **CAPITAL STOCK—** | | |
| 7% Cumulative Preferred Stock: Authorized 50,000 shares of $100 each | $5,000,000.00 | |
| Issued 17,000 Shares | | $1,700,000.00 |
| **COMMON STOCK—** | | |
| Authorized 100,000 Shares of No Par Value | | |
| Issued 50,000 Shares of No Par Value | | 2,400,000.00 |
| First Mortgage 20 year 6% Sinking Fund Gold Bonds due 1st August, 1947 | | |
| Authorized | $5,000,000.00 | |
| Issued | | 2,750,000.00 |
| **CURRENT LIABILITIES—** | | |
| Bank Overdraft | $ 287,495.40 | |
| Accounts Payable and Accrued Liabilities | 497,248.87 | |
| Claims pending—estimated provision | 10,000.00 | 794,744.27 |
| **RESERVES—** | | |
| For Dominion Government Claims and other Assets (per Contra) | $ 485,782.28 | |
| For City of Montreal Taxes and Interest thereon from 1st May, 1919, to 29th February, 1928, on property exempted by the former City of Maisonneuve to 3rd August, 1930 | 301,844.85 | |
| For Contingencies | 212,996.19 | 1,000,623.32 |
| **SURPLUS** | | 129,448.81 |
| | | $8,774,816.40 |

CONTINGENT LIABILITY of $50,000 re Canadian Wright Ltd., Guarantee.

*Signed on behalf of the Board.*
(Sgd.) F. M. ROSS, GEORGE BARR } *Directors.*

**AUDITORS' REPORT TO SHAREHOLDERS**

We have audited the Books and Accounts of Canadian Vickers Limited for the year ended 29th February, 1928, and subject to due ratification of By-Laws, adopted by the Directors, we hereby certify that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the Books of the Company. Our requirements as Auditors have been complied with.

(Signed) MACINTOSH, COLE & ROBERTSON,
Chartered Accountants.

Montreal, 6th June, 1928.

## PROFIT AND LOSS ACCOUNT

*For the Year Ended 29th February, 1928*

| | | |
|---|---|---|
| By Net Profit from operations after making provision for Income Tax, but before providing for the undernoted charges | | $568,884.42 |
| To Bond Interest from 1st August, 1927 | $ 95,835.47 | |
| Other Interest | 113,178.08 | |
| Depreciation | 170,922.06 | 379,935.61 |
| | | $188,948.81 |
| Less—Dividends paid—two quarters | | 59,500.00 |
| Surplus | | $129,448.81 |

# MODEL CHANGES AFFECTS OUTPUT OF AUTOMOBILES

## Production in 1927 Bettered Once in Industry's History

## CANADIAN SALE HIGH

### Export Business Off, But Imports Set New Record—Registrations Now Near Million Mark

**From Our Own Correspondent**

MONTREAL.—The effect of the change in the Ford model on production in Canada, is to be seen in the report on the automobile industry for 1927, published by the Bureau of Statistics. Final figures show that 179,054 cars were produced. This output was 13 per cent. below the record of 204,727 cars established in 1926 and was the first decline reported in three years.

While fewer cars were produced in 1927 than in 1926, the record year, the number made was 15 per cent. greater than the 161,970 cars produced in 1925 and 35 per cent. over the 132,580 cars reported for 1924.

Taking the industry as a whole, production last year was valued at $128,700,514. This is the second largest total ever recorded and compares with the record of $133,598,456 set up in 1926.

**Analysis of Output**

An analysis of the output during the year shows that touring cars made up 18.4 per cent. of the total; passenger roadsters, 2.6 per cent.; sedans, 48.8 per cent.; coupes, 6.9 per cent.; trucks, 16.5 per cent.; and chassis, 6.8 per cent. Open model passenger cars sold at the factory for an average price of $502 as compared with $495 in the previous year; closed model passenger cars were lower at $787 as against $795 in 1926 and the average sales value of chassis rose to $406 from $322.

The trend in closed car output was even more pronounced in 1927. In 1920 only 10 per cent. of the cars manufactured in that year were of the closed model. A steady increase was recorded in the next five years and in 1926, 55 per cent. of the total output represented closed models. For the past year three out of four cars produced were closed models.

**Domestic Marketing Maintained**

The apparent consumption of automobiles last year was 157,832, as compared with 158,577 in 1926. This total is arrived at deducting the exports and re-exports from the sum of production and imports.

The manner in which consumption has increased during the past ten years is shown in the following table:

| Year | Apparent Consumption |
|---|---|
| 1918 | 82,537 |
| 1919 | 76,331 |
| 1920 | 79,735 |
| 1921 | 62,536 |
| 1922 | 74,372 |
| 1923 | 88,666 |
| 1924 | 84,900 |
| 1925 | 102,110 |
| 1926 | 158,577 |
| 1927 | 157,832 |

The number of cars scrapped or withdrawn from use in 1927 is estimated at 48,983. In 1926, the number was 49,402 and in 1925 at 26,059. This figure is based on the assumption that the number of cars in the hands of dealers remained constant. Thus the number of cars to be accounted for in 1927 totaled 1,044,944, while the registrations and exports during the same period amounted to 995,961, leaving a balance of 48,983.

**Export Business Off**

Canada's export business in automobiles and parts showed a marked decline when the total value of Canadian made goods of this class amounted to $31,863,462 in 1927, as compared with a value of $38,222,387 in the previous year. Only 39,900 passenger cars worth $22,166,871 were exported in 1927, as against $53,628 cars valued at $25,779,659 in 1926; shipments of trucks numbered 17,514 worth $6,272,126, as compared with 20,696 worth $6,957,242, and the value of parts declined to $3,434,465 from $5,485,486 in 1926.

The United Kingdom was the best market for automobiles in 1927, with British India next and Australia third. Argentine, British South Africa, New Zealand, Dutch East Indies, Brazil and Straits Settlement also appear prominently among the countries importing Canadian automobiles.

**Imports Establish Record**

On the other hand imports of automobiles and parts, other than engines, during 1927 reached a total value of $63,394,516, a new record for the trade and 11.5 millions above the figure for 1926. Passenger car imports increased to 32,826 appraised at $26,904,209 from 26,345 worth $21,563,258 in the previous year; trucks numbered 3,804 valued at $4,638,207 as against 2,199 worth $2,818,434, and the value of parts imported was higher by 16 per cent. at $31,852,100. United States supplied imports of this class equal to 99 per cent. of the total, as against a similar percentage in 1926.

Imports of automobile engines increased to 107,941, valued at 12,345,198, from 82,361 worth $9,580,607 in 1926.

**Nearly Million in Use**

The total registrations for 1927 of all motor vehicles was 945,672, which was an increase over 1926 of 108,878, or 13 per cent., as against an increase during 1926 of 108,789 or 15 per cent. These totals include on car per dealer, although practically all dealers have licenses for more than one car.

In passenger automobile density and also in total motor vehicle density, Ontario ranks first with 13.7 motor vehicles per 100 population. The western provinces, however, had almost as great densities, Saskatchewan having 12.7 and British Columbia 13.5. All of the western provinces showed a greater per capita registration than the eastern provinces, excepting Ontario.

Further details are shown in the accompanying table:

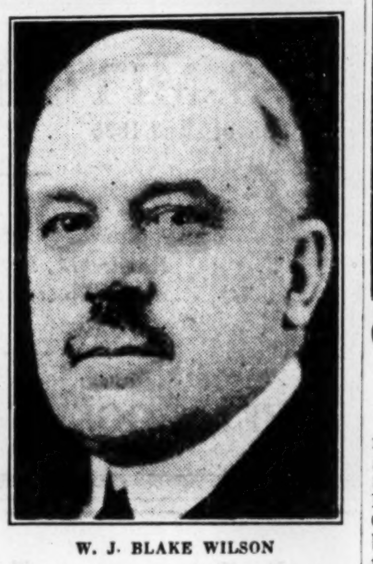
| | Population 1927 | Motor Vehicles | Per 100 Population |
|---|---|---|---|
| P. E. I. | 86,700 | 4,388 | 5.1 |
| Nova Scotia | 543,000 | 30,059 | 5.5 |
| New Brunswick | 411,000 | 24,544 | 6.0 |
| Quebec | 2,604,000 | 128,459 | 4.9 |
| Ontario | 3,187,000 | 438,120 | 13.7 |
| Manitoba | 647,000 | 63,905 | 9.9 |
| Saskatchewan | 836,000 | 106,599 | 12.7 |
| Alberta | 617,000 | 73,830 | 12.0 |
| British Columbia | 575,000 | 77,617 | 13.5 |
| Yukon | 3,470 | 156 | 4.5 |

# P. BURNS' ASSOCIATE, PACIFIC COAST LEADER, BORN ON ONT. FARM

(Continued from page 11)

by big ones and finally he worked his way into the meat trade with the Canadian Pacific Railway in a big way, supplying the British Columbia construction camps, bossed by Dan McGilivray, Hugh Keefer, Charlie Whitehead, Dan Gunn, the MacLean brothers and other old-time heroes of construction days.

Pat Burns was coming to the fore as a figure to be reckoned with in Western business. He had graduated from the ranks of the cow-puncher and was himself dealing with the construction camps. It was the most natural thing in the world that these two men—Blake Wilson and Pat Burns—should meet. But the meeting was not in the form of bitter competition as one might suspect after reading of other exploits of rival business getters in that hectic period of the young west. There was something in the spirit of these two men that drew them together rather than apart. They decided on peace rather than strife and got together in 1903 in the organization of P. Burns & Company, which was to become the biggest independent packing house corporation in Western Canada with ramifications extending far into the east, and across the boundary into the United States. But before the business reached the packing house stage, with cold storage plants and abattoirs in all the chief centres of the West, and wholesale and retail



W. J. BLAKE WILSON

stores in almost every town of appreciable size, Blake Wilson went ahead with his contracts and he figured in most of the important contracts placed by the railroads since that time, some of his biggest orders coming from Idaho, Montana, Washington and Oregon.

**Has Run Burns' Affairs on Coast**

The history of P. Burns & Company in British Columbia is largely the history of Blake Wilson, for, as vice-president and director of the company, he had general supervision of the company's afairs in that province. And no company has more efficiently kept step with the march of western progress.

Blake Wilson is the last man to speak about himself and many of the most fascinating chapters of his career will likely remain a closed book. But while preserving a personal reticence he has never failed to recognize the importance of public service in the sense of duty to the community in which he cast his fortunes. About the only plea for service in a public way that he has so far rejected in that of politics. "If we could get Blake Wilson to head the ticket we'd sweep the city," said a politician a few weeks ago; but Blake Wilson's modesty simply would not permit him to accept a nomination. He decided that the city would have to worry along without him in a political capacity.

**Has Done Public Service**

But there is scarcely another office that Blake Wilson has not held in Vancouver. Even within the last few weeks, with his new directorships thrust upon him, he managed to find the time to head a drive for the Salvation Army. He has been an active member of the Board of Trade for years and has served a term as president. He has been prominently identified with the Canadian Manufacturers' Association and several trade and service organizations, and is a governor of the Vancouver General Hospital. He has been president of the Canadian Club and director of the Vancouver Exhibition Association. Presidency of the Coalmont Collieries at Coalmont is one of his interests, and a year ago when the government of British Columbia wanted to restore public confidence in its Pacific Great Eastern Railway it appointed Blake Wilson as one of the three new business man directors. Perhaps it isn't entirely a coincidence that since his appointment the railway has been slowly working its way out of the red, so far as operating expenses are concerned.

**On Board of C.P.R.**

Big business claimed him as its own years ago, but if there was one crowning height to be reached it was attained when the Canadian Pacific Railway named him as a director. Previously he had served as a director of the Union Bank of Canada. Then came the reorganization of the B.C. Electric and his appointment as director of the new British Columbia Power Corporation. When P. Burns & Company was taken over by eastern financial interests Blake Wilson retained his office as vice-president and he will continue to act as its chief executive in British Columbia.

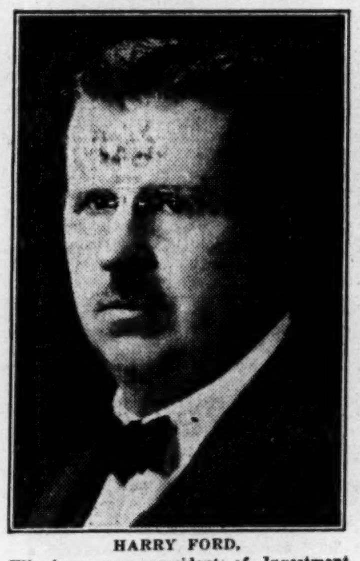
Busy? Yes, even Blake Wilson will admit it, but he is one of those men who, while throwing his whole soul into the business at hand, doesn't wear himself out. For business is life itself to him. But only his rugged constitution makes it possible for him to carry the strain that would shatter a weaker man. He's only happy when he has work piled up ahead of him, and so now he's quite delighted, and finds life tremendously worth while.

In 1890, the year he moved out to British Columbia, he married Miss M. L. Ferguson, a Simcoe girl. Of this union there were two sons. One son is living. The other, Lieut- Joe Wilson, went overseas with a western battalion and was killed at Vimy Ridge.

**Ready for More Work**

One might imagine that Mr. Wilson has earned the right to retire and so he has, but it wouldn't be in keeping with his idea of life to step out of action at a time when things were happening fastest. If another big reorganization or merger should come along west of the Rockies, don't be surprised to read that well-known phrase in your newspaper: "Mr. Blake Wilson, of Vancouver, has been appointed director." Happenings like that are just incidents in his working day.

## Heads Bond Men



HARRY FORD,
Winnipeg, new president of Investment Bankers Assn. of Canada.


## AVAILABLE

An aggressive, energetic, well-balanced executive who has successfully filled responsible positions. Background is extensive, thorough and practical. Now Director of Sales for large Canadian Corporation.

He is married, age 34, in excellent health; a Canadian with unimpeachable references and business record. For sound reasons he desires to change his present location to a permanent connection with a progressive company, large or small. Further details will be cheerfully supplied, in confidence, by A. McKim Limited, 34 King St. E., Toronto.


## Conduits Company Limited

NOTICE OF DIVIDEND

Notice is hereby given that the regular quarterly dividend of one and three-quarters per cent. on the Seven Per Cent. Cumulative Sinking Fund Preference Shares of this Company has been declared and will be paid on the first day of July, 1928, to shareholders of record at the close of business on June 16th, 1928.

The transfer books will be closed from June 18th to June 30th, inclusive.

R. HAMILTON HALL,
Secretary.

## UNITED FUEL INVESTMENTS, Limited

**Dividend Notice**

Notice is hereby given that a quarterly Dividend of 1½% has been declared on the Six Per cent. Cumulative Preferred Stock of United Fuel Investments, Limited, payable on the 1st day of July, 1928, to shareholders of record at the close of business on the 15th day of June, 1928.

By order of the Board.
C. P. FELL,
Secretary.

## POWER CORPORATION OF CANADA LIMITED

*Preferred Dividend No. 13.*

NOTICE is hereby given that a dividend of 1½% (being at the rate of 6% per annum) has been declared on the 6% Cumulative Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending June 30th, 1928, payable July 16th, 1928, to shareholders of record at the close of business, June 30th, 1928.

By order of the Board,
L. C. HASKELL, Secretary.
June 1st, 1928.

## Dominion Textile Co. Limited

*Notice of Dividend*

A DIVIDEND of One Dollar and Twenty-Five Cents ($1.25) per share has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending June 30th, payable July 3rd, to shareholders of record June 15th.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, May 31st, 1928.

## Tenders for Town of Hawkesbury Consolidation Debentures

Sealed tenders addressed to the undersigned will be received until 7 o'clock of the afternoon, Saturday, the 30th June, 1928, for the purchase of $18,202.58 consolidation debentures 1928 bearing 5% interest with coupons attached in 20 equal annual instalments of principal and interest.

The highest or any tender not necessarily accepted.

J. O. BERTRAND,
Clerk-Treasurer.

## Holt Renfrew & Co. Limited

**Dividend Notice on Common Stock**

Notice is hereby given that Dividend No. 1 on the common shares of the Company, for the quarter ending June 30th, 1928, of three-quarters of one per cent. (¾ of 1%) being at the rate of 3% per annum, has been declared payable on the 3rd day of July, 1928, to shareholders of record on the 28th day of June, 1928.

By order of the Board.
R. G. LIDDY,
Secretary-Treasurer.
Montreal, June 19th, 1928.

## Holt Renfrew & Co. Limited

**Dividend Notice on Preferred Stock**

Notice is hereby given that Dividend No. 36, amounting to 1¾% on the Preferred Shares of the Company, has been declared payable on the 3rd day of July, 1928, to shareholders of record on the 28th day of June, 1928.

By order of the Board.
R. G. LIDDY,
Secretary-Treasurer.
Montreal, June 19th, 1928.

## Debentures

Tenders will be received by the undersigned until noon (Standard time), Wednesday, 27th June, 1928, for $200,000.00 5%, 20-year instalment Debentures of United Counties of Preston and Russell, issued 8th June, 1928, under The Highway Improvement Act, in denominations of $1,000.00 and odd amounts with interest coupons.

EDMOND PROULX,
County Solicitor,
L'Orignal, Ont.

## Commercial Finance Corporation, Limited

**Dividend Notice**

**Preferred Dividend**

Notice is hereby given that the regular 3½% dividend has been declared on the Preferred Stock of the Company for the half-year ending the 30th day of June, 1928.

**Common Dividend**

Notice is also hereby given that a dividend of $2.00 per share has been declared on the Common Stock, no par value, of the Company for the half-year ending the 30th day of June, 1928.

The above dividends are payable on and after July 1st, 1928, to shareholders of record June 20th, 1928.

By order of the Board.
THOS. LEEMING,
Secretary.
Toronto, Ont., June 11, 1928.

## The Trinidad Electric Company, Ltd.

Notice is hereby given that a dividend of 1¼% for the quarter ending June 30th, 1928, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each Shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 10th of July, 1928.

The transfer books of the Company will be closed from the 25th of June to the 10th of July, 1928, both days inclusive.

By order of the Board.
F. B. OXLEY, Secretary.

## PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable July 2nd, 1928, to Shareholders of record as at the close of business June 15th, 1928.

(Signed) W. S. BARBER,
Secretary.
June 12th, 1928.

## The Dominion Bank

Notice is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 30th June, 1928, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 3rd day of July, 1928, to shareholders of record of the 20th June, 1928.

By order of the Board.
C. A. BOGERT,
General Manager.
Toronto, 31st May, 1928.

ONTARIO

## SALE OF TIMBER

Tenders will be received by the undersigned up to and including the 20th July, 1928, for the right to cut the timber on Berths 41, 42 and 43, and a small area designated J. A. 13, in Quetico Park, and two small areas outside of the Park, designated as J. A. 15 and J. A. 18, District of Rainy River.

Further particulars may be obtained upon application to the undersigned, or to Mr. J. A. Alexander, Crown Timber Agent, Fort Frances.

W. FINLAYSON,
Minister of Lands and Forests.

N. B.—No unauthorized publication of this notice will be paid for.
Toronto, May 29, 1928.

## MONTREAL TRAMWAYS COMPANY

DIVIDEND NOTICE

Notice is hereby given that a dividend of Two Dollars and Fifty Cents ($2.50) per share, for the quarter ending June 30th, 1928, has been declared upon the paid in Capital Stock of the Company, to Shareholders of record the 6th day of July, 1928, at 4 o'clock p.m., and payable on the 14th day of July, 1928.

By order of the Board.
PATRICK DUBEE,
Secretary-Treasurer.
Monday, May 21st, 1928.

## Dominion Textile Co. Limited

*Notice of Dividend*

A DIVIDEND of One and Three-Quarter per cent (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, has been declared for the quarter ending June 30th, 1928, payable July 16th, to shareholders of record June 30th.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, May 31st, 1928.

## The Real Estate Loan Company of Canada, Limited

28 Wellington Street East, Toronto, Canada

Notice is hereby given that a dividend at the rate of three and one-half per cent. for the half year ending 30th inst. has been declared upon the Capital Stock of the Company and that the same will be payable at the offices of the company on and after the 3rd July, 1928, to shareholders of record of 18th June, 1928.

By order of the Board.
E. L. MORTON,
Managing Director.
Toronto, 15th June, 1928.

## The Wabasso Cotton Company, Limited

**Dividend No. 42 and Bonus**

Notice is hereby given that a Dividend of One Dollar per share on the Capital Stock of the Company has been declared for the quarter ending 30th June, 1928, also a bonus of Fifty Cents per share payable on the 3rd day of July, 1928, to shareholders of record as at the close of business on the 15th June, 1928.

By Order of the Board,
JAS. R. RITCHIE,
Secretary-Treasurer.
Montreal, Que., May 10th, 1928.

## Canada Steamship Lines Limited

**Dividend Notice**

Notice is hereby given that a dividend of one and one-half per cent. (1½%) on the Six Per Cent. Cumulative Preference shares of the Company has been declared for the quarter ending June 30, 1928, payable on July 3, 1928, to shareholders of record at the close of business on June 15, 1928.

By order of the Board.
R. BROCK THOMSON,
Secretary.
Montreal, June 5, 1928.

## ABITIBI POWER & PAPER COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of 1½% has been declared on the Six Per Cent. Cumulative Preferred Stock of the Abitibi Power & Paper Company Limited, payable the 20th day of July, 1928, to shareholders of record at the close of business the 10th day of July, 1928.

By order of the Board.
W. H. SMITH,
Secretary-Treasurer.

## CITY MANAGER WANTED

### Lethbridge, Alberta

will receive applications until July 14th, 1928, for city manager. Applicants must state age, experience, qualifications, and when services available. Salary asked must not exceed $6,000. Full information can be obtained from city clerk. Proposals must be sent by registered mail, and marked: "Applications for Managership," and addressed to the undersigned. Applicants must not canvass councillors.

DONALD A. DUFF,
City Clerk,
Lethbridge, Alberta.

## A. J. Freiman Limited

DIVIDEND NOTICE

A dividend of one and one-half per cent. (1½%) on the 6% cumulative redeemable convertible preferred shares of A. J. Freiman Limited, being at the rate of 6% per annum, will be paid on the 2nd of July, to Shareholders on record June 15th.

By resolution of the Directors.
S. R. OUELLETTE,
Secretary-Treasurer.

## Woods Manufacturing Company, Limited

**Preferred Stock Dividend Notice**

The regular quarterly dividend of one and three-quarters (1¾%) per cent. on the preferred stock of Woods Manufacturing Company, Limited, for the quarter ending June 30th, 1928, has been declared payable July 3rd, 1928, to shareholders of record June 25th, 1928.

By order of the Board.
JOHN T. F. KEENE,
Secretary-Treasurer.
Montreal, June 11th, 1928.

## The B. Greening Wire Company Limited

**Preference Dividend No. 20**

Notice is hereby given that a quarterly dividend of one and three-quarters per cent. on the Preferred Shares of the Company has been declared payable July 1, 1928, to shareholders of record June 15, 1928.

F. J. MAW,
Secretary.
Hamilton, Ont., June 14, 1928.

## ORANGE CRUSH, LIMITED

**Dividend Notice**

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) on 7% First Preference Shares of the Company has been declared for the quarter ending June 30th, 1928, payable on July 1st, 1928, to shareholders of record at the close of business June 20, 1928.

By order of the Board.
R. T. MacDONALD,
Secretary.
Toronto, June 15th, 1928.

## ABITIBI POWER & PAPER COMPANY LIMITED

**Dividend Notice**

Notice is hereby given that a quarterly dividend of 1¾% has been declared on the outstanding Seven Per Cent. Cumulative Preferred Stock of the Abitibi Power & Paper Company, Limited, payable the 3rd day of July, 1928, to shareholders of record at the close of business the 20th day of June, 1928.

By order of the Board.
W. H. Smith, Sec'y-Treas.

## Abitibi Power & Paper C Limited

**Dividend Notice**

Notice is hereby given that a quarterly dividend of one dollar per share has been declared on the Common Stock of the Abitibi Power & Paper Company Limited, payable the 20th day of July, 1928, to shareholders of record at the close of business the 30th day of June, 1928.

By order of the Board.
W. H. SMITH,
Secretary-Treasurer.

DIVIDEND NOTICE

## The British American Oil Company, Limited

Notice is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the No Par Value stock of the Company for the second quarter of 1928 on the paid-up capital of the Company. The above dividend is payable July 3rd, 1928, to Shareholders of record at the close of business on the 15th day of June, 1928. Transfer Books will be closed from the 16th to the 30th of June, both days inclusive.

Share Warrant Holders will present coupons Serial No. 6 to the Royal Bank of Canada, 68 William Street, New York City, or to the Royal Bank of Canada, Toronto, Ontario, on or after July 3rd, 1928.

By Order of the Board.
P. W. BINNS,
Secretary.
Dated at Toronto, June 14th, 1928.

## Western Grocers Limited

**Notice of Dividend**

A dividend of one and three-quarters per cent. (1¾%) on the New Preference Stock of Western Grocers Limited, has been declared for the quarter ending June 30th, 1928, payable July 16th, 1928, to shareholders of record June 30th, 1928.

By order of the Board.
W. P. RILEY,
President.
Winnipeg, June 14th, 1928.

## ORANGE CRUSH, LIMITED

**Dividend Notice**

Notice is hereby given that a dividend of fifty cents (50c.) per share on the Second Preference Shares of the Company has been declared for the quarter ending June 30th, 1928, payable on July 1st, 1928, to shareholders of record at the close of business June 20th, 1928.

By order of the Board.
R. T. MacDONALD,
Secretary.
Toronto, June 15th, 1928.

## TipTop Tailors Limited

Notice is hereby given that a dividend of one and three-quarters per cent. on the Seven Per Cent. Cumulative Sinking Fund Redeemable Convertible Preferred Shares of the Company for the quarter ending June 30, 1928, has been declared payable on and after July 1st, 1928, to shareholders of record at the close of business on June 15th, 1928. The transfer books will not be closed.

Dated at Toronto, Ontario, this 15th day of June, 1928.

H. P. MacKECHNIE,
Treasurer.

## Brewers and Distillers of Vancouver Limited

Notice is hereby given that an Interim Dividend of Five Cents per share has been declared on the no par value Common Stock of the Company, payable August 1st, 1928, to holders of Voting Trust Certificates representing such shares of Common Stock of record July 5th, 1928.

Vancouver, B.C., June 15th, 1928.
By Order of the Board.
N. C. K. WILLS,
Secretary.

## Canadian Locomotive Company, Limited

**Dividend No. 66**

Notice is hereby given that quarterly dividend of one and three-quarters per cent. on the Preferred Stock was declared payable July 1, 1928, to shareholders of record June 20, 1928.

By Order of the Board,
G. W. DALY,
Secretary.
Kingston, Ont., June 8, 1928.

## MONARCH MORTGAGE & INVESTMENTS LIMITED

**Preferred and Common Dividends**

A Dividend at the rate of Eight per cent. per annum has been declared upon the Preferred Shares of Monarch Mortgage and Investments Limited, also a dividend of five cents (5c) per share upon the Common Shares of the Company.

The above dividends will cover the six months ending June 30th, 1928, and will be paid July 16th, 1928, to Shareholders of record June 30th, 1928.

By Order of the Board.
EDWARD A. TANNER,
Secretary-Treasurer.
Toronto, June 13th, 1928.

## International Petroleum Company, Limited

**Notice of Dividend No. 17**

NOTICE is hereby given that a dividend of 25c United States Currency per share has been declared, and that the same will be payable on or after the 30th day of June, 1928, in respect to the shares specified in any Bearer Share Warrants of the Company upon presentation and delivery of coupons No. 17 at the following banks:

The Royal Bank of Canada, King and Church Streets Branch, Toronto 2, Canada.
The Farmers' Loan and Trust Company, 22 William Street, New York, N.Y.
The Farmers' Loan and Trust Company, 15 Cockspur Street, London, S.W. 1, England.
OR
The Offices of the International Petroleum Company, Limited, 56 Church Street, Toronto 2, Canada.

The payment to Shareholders of record at the close of business on the 23rd day of June, 1928, and whose shares are represented by registered Certificates, will be made by cheque, mailed from the offices of the Company on the 29th day of June, 1928.

The transfer books will be closed from the 25th day of June to the 30th day of June, 1928, inclusive, and no Bearer Share Warrants will be "split" during that period.

By Order of the Board.
J. R. CLARKE,
Secretary.
56 Church Street, Toronto 2, Canada,
14th June, 1928.

# CANADIAN MINING NEWS

*Regular Weekly Department of The Financial Post*

***Bidgood Managers Say Everything Looks Bright***

***"Don't Sell Nickel Short" Advises American Writer***

# Bidgood Mines Report Shows Marked Progress Made in Development

## Important Ore Body Discovered — Considerable Good Ore Opened Up

### PROBLEMS SOLVED

### President Erenhous Says They May Consider Question of Mill Next Year

"Should the success met with by Bidgood Mines during the year of 1927 continue through the present year, consideration of milling facilities will be in order," states President Leo Erenhous, in submitting the annual report of the company for the year ending Dec. 31, 1928 and supplementary report to May 31, 1928, to shareholders. "A considerable amount of ore of excellent grade has been developed, in fact I don't know of a case in the Kirkland Lake District where more satisfactory grade of ore has been opened up so near the surface.

"When you consider that your property was shut down in 1923 without any ore in sight, and was not reopened until 1st May last year; that the plant had to be reconditioned; underground workings pumped out and examined, and that by the end of the year an important ore body had been discovered and developed to the extent set out in the manager's report, we feel that you will appreciate the remarkable improvement in your prospects, and the vigor which has characterized the management of the mine.

"Our work has shown a well-defined ore shoot in rocks similar to those in which rich gold ore have been found in the producing mines in this district, and we may expect to find somewhat the same habits as to the extensions of ore bodies in depth or laterally, and similar conditions of ore bodies and ore shoots.

"We had difficulty in following the ore, an experience generally in the upper levels of the Kirkland Lake Mines, and a comparison of the early history of the producing mines with our property leads us to believe that most of our problems are now solved particularly when we consider the improved structure on the 600 foot level."

Mr. Erenhous states that all capital expenditures for the time being have been completed, the company's share capital is all outstanding, and all plant and equipment are in splendid condition and a sum in excess of $150,000 is available for operation and will provide for active operation for at least the next year. During the year the company sold its undivided one-third interest in mining claims L-7760-1-2-3-4 to Cambro Kirkland Mines for 195,000 shares of its capital stock. "The company," states Mr. Erenhous, "is well financed and with the Cambro shaft now down to 200 feet, these shares may be considered a valuable asset."

Bidgood's own holdings comprise 117.7 acres, he states, and the same geological structure as in its underground workings extends for over 5,000 feet across its property ninety per cent. of it being virgin ground. Aggressive work is being done on several veins, and this surface exploration in itself ofers great possibilities.

"The company was particularly fortunate, early last year, in purchasing mining claims L-9891, adjoining our property on the east. This claim should have the extension of the vein found on the Moffatt-Hall, which adjoins it on the south. As mentioned in the manager's report this vein gave fine results when drilled on Moffatt-Hall.

It is gratifying to report that the number of our shareholders is now more than 2,000 as against about 600 at the time of the annual meeting last year.

**Mine Manager's Report**

Mine Manager John McPhee, in submitting his report for the year, states:

"When work was resumed, April 24, 1927, the plant consisted of one 125 h.p. boiler; a 10 by 12 inch single drum Jenckes hoist and a 300 cubic feet steam driven compressor.

"The plant and the buildings were repaired, the mine pumped out and underground equipment reconditioned. This took considerable time, as it necessitated dewatering 600 feet of shaft and 4,700 feet of lateral work on the 300, 400 and 600-ft. levels.

**Diamond Drilling**

"On completion of the above work, diamond drilling was started from the 600-ft. level. This hole was drilled 1,069 feet south, at which point it had to be abandoned on account of water pressure, with inconclusive results and before its objective was reached. Two strong breaks were cut, one 12 feet wide and the other 3 feet wide, and the assays obtained justify cross-cutting southeast from the 600-ft. level to explore the breaks.

"Two holes, 637 and 199 feet in length, were put down on claim 7592 to complete the assessment work on claims 9882, 9886 and 9891. This drilling showed a width of 75 feet of mineralized syenite and quartz. The assays justify further exploration on the surface during the coming summer.

**Development Work**

"While drilling was in progress, a thorough examination of the surface and underground workings was made, and on August 28, on completion of drilling, a cross-cut was started on the 300-ft. level north from No. 9 vein. At 12 feet north, ore was encountered and to date the vein has been opened up on the 300-ft. level by drifting and short cross-cuts for a length of 250 feet, and assays $12.06 per ton in gold over a width of 7.2 feet.

"A raise was put up 50 feet from the 300-ft. level and the vein ran $12 per ton in gold over the width of the raise which was 5 feet wide.

"A sub level was started from the raise at a point 25 feet above the 300-ft. level and the vein was drifted on 25 feet, showing $15 per ton in gold over five feet.

"It is proposed to continue this raise to connect with the 200-ft. level.

"Work on the 400-ft. level is now in progress and I feel confident that the downward extension of the ore found on the 300-ft. level will soon be encountered.

"The main cross-cut is being driven to the northwest to cut a very strong break showing on the surface."

A summary of the development work follows:

| | Diamond Drilling | Cross-Cutting | Drifting | Raising | Sinking |
|---|---|---|---|---|---|
| Surface ........ | 836 | | | | |
| 300-ft. level .... | | 200 | 322 | 56 | 27 |
| 400-ft. level .... | | 211 | 176 | 4 | |
| 600-ft. level .... | 1069 | 9 | 27 | | |
| | 1905 | 420 | 525 | 60 | 27 |

## Premier Boosts Its Production

Premier Gold Mines, the big Portland Canal operator, is now milling over 400 tons a day, in addition to shipping over 500 tons, which is to date the highest point in its production.

Complete and permanent camp buildings have been erected to replace those destroyed by last winter's fire.

Premier's confidence in its newly-acquired properties, the Porter Idaho, Prosperity and Silverado, is indicated by the extensive arrangements made for living quarters at the mouth of the Marmot River. Space has been arranged which will accommodate over 500 workmen. By October the Premier management expects to have a continuous flow of high-grade over its tramline to the Prosperity group, which is under way. It is also taking active steps to develop Silverado.


**Flin Flon Mining Opportunity**

A genuine and substantial opportunity for the investor.

One of Manitoba's most promising properties.

Manitoba Flin Flon Mines Syndicate

Six claims adjacent to Flin Flon on the West.

Ten claims adjacent to Flin Flon and Mandy Mines to the South.

Surface assay exceeds that of nearby mines.

Complete Information Will Be Mailed Upon Request

**W. B. CUMMING & CO., Ltd.**

21 King St. East,
TORONTO 2, Ontario



# FORESIGHT PAYS

YOUR friend Brown draws a salary no larger than yours. He is not rated particularly high in the business world, but he is apparently never in difficulties, and he invariably wears a smile of contentment.

Brown has a modest new car at reasonable intervals, and has moved into a better home twice during the past few years. He owns the new house he now occupies. Brown luck? Not necessarily.

Foresight. Brown has faith in his province and shrewd judgment of business conditions. His money works for him while he sleeps or holidays. The interest on his savings account is small, but he clips a lot of dividend coupons during the year.

Financial experts see British Columbia in the limelight of world prosperity, with more money-making opportunities than any other partially developed land on earth. Mining is the pivotal point in the picture.

We feel that money invested in selected mining stocks at present market prices has every probability of doubling within a year. Let us assist you in choosing your investments.

*Write for our new map of the Mines of B.C., also for our semi-monthly market reports.*

**Miller, Court & Co. Ltd.**

INVESTMENTS

Members Vancouver, Victoria, Calgary, Winnipeg, Seattle and Standard (Spokane) Stock Exchanges

Head Office, Vancouver Block, Vancouver, B.C.

TORONTO OFFICE: 67 YONGE STREET


## DALEY INTERESTS NOW HAVE OPTION WHITE LAKE MINE

### Deal Put Through on Recommendation of Examining Engineers

Development of the White Lake Mines in the Mississauga Forest Reserve is to be financed by Maurice Daley and associates of New York, who have secured an option on the property. The deal was completed following a careful examination by New York engineers.

It is understood that Daley has paid $10,000 under the terms of the option, and work is to proceed immediately. If development work justifies, the Daley interests will secure substantial holdings in White Lake Mine, and probably a controlling interest.

A charter has already been secured for the company which is capitalized at $2,000,000, with shares of $1 par value each.

Peterson Cobalt Mines holds a substantial block of shares in the White Lake Mines, and as a result of the transaction this company's shares have shown firmer price tendencies.

The White Lake Mine's property consists of ten claims. These were first staked in this district and were chosen with reference to the main vein or dyke which runs lengthwise through the centre of the property. The main vein in this property is said to be about a mile and a quarter in length and is in places from 40 to 60 feet wide. The property consists of 400 acres.

**High Grade Ore**

The report of the geologist employed to examine the property states that over a width of from four to five feet of the richest part of the vein, an assay showed values of $159 to the ton, a second showed $58 and a third $123. These assays were made by a government analyst. Large samples running as high as 73 per cent. copper have been obtained. A limited amount of stripping shows indicated ore of over 19,000,000 pounds of copper of a value of $2,800,000. "The property looks like an exceedingly rich body," states the geologist in his report, "and not only justifies, but demands extensive exploration."

## Sudbury Lode Find Old Shaft

Surface exploration by the Sudbury Lode management in the western section of the Sudbury Basin district has lead to the discovery of an old shaft which apparently had been dug some 30 or 40 years ago. Samples from the old dump revealed a number of high grade copper specimens which are extremely interesting from many points of view. A party is now engaged in clearing out the underbrush in the vicinity and a drill hole has been spotted under the supervision of Douglas Wright, consulting engineer for the company, to undercut the deposit at a depth of approximately 150 feet. The discovery was made a few hundred feet from the Clericy property and apparently is on the same zone of shearing now being drilled by that company. The section is about half a mile west of Cameron Creek.

## Expect New Wells Will Blow in Soon

**From Our Own Correspondent**

CALGARY. — Notwithstanding the fact that at least two of the Turner Valley oil wells are momentarily expected to blow themselves in at any moment, interest in the field has lagged somewhat during the past week and there has been a general downward trend in prices.

Royalite No. 6 is now pounding away in the hard limestone while Dalhousie No. 6 is nearing the top of the limestone. Calmont is down 5,500 feet and is expected to be brought into production any time now.

## Copper-Gold Discovery Made in Louvicourt

An important discovery of copper-gold ore and free gold has recently been made by K. B. Heisey, mining engineer of Kirkland Lake, on his claims in Louvicourt Tp., Quebec. The find occurs in claim 25729 and is 5 miles east of the Louvicourt river, 25 miles south of Senneterre.

It occurs in a wide pyrrhotite zone in contact with a gabbro dyke and keewatin tuff. The ore is on the north side of the pyrrhotite and the outcrop and is known to be at least 7 feet wide. A channel assay gave 3.3 per cent. copper with $2 in gold. Across the strike, five feet to the north, a pop-shot was put down in the bottom of the creek which flows alongside the outcrop. Specimens from this gave 3.8 per cent. copper. This gives a known width of 12 feet. It has been uncovered for 25 feet in length and dips into the muskeg at both ends.

The south wall of the ore consists of a strong fault containing about 12 inches of rusty gouge which pans gold in fairly coarse grains. The south side of the fault shows irregular small lenses of well-mineralized quartz carrying native gold.

The group of claims was, after 1924, held for two years by Messrs. Rickaby and Kerr Lawson for Quebec prospectors. On being allowed to elapse they were re-staked by Mr. Heisey for the Victoria Syndicate in April, 1926. After performing one year's assessment work under the direction of John Drybrough, the claims were sold to Mr. Heisey and his associates who have held them since. The discovery was located by means of magnetometer survey.

Should further developments warrant such a step a company will be formed to operate the property.

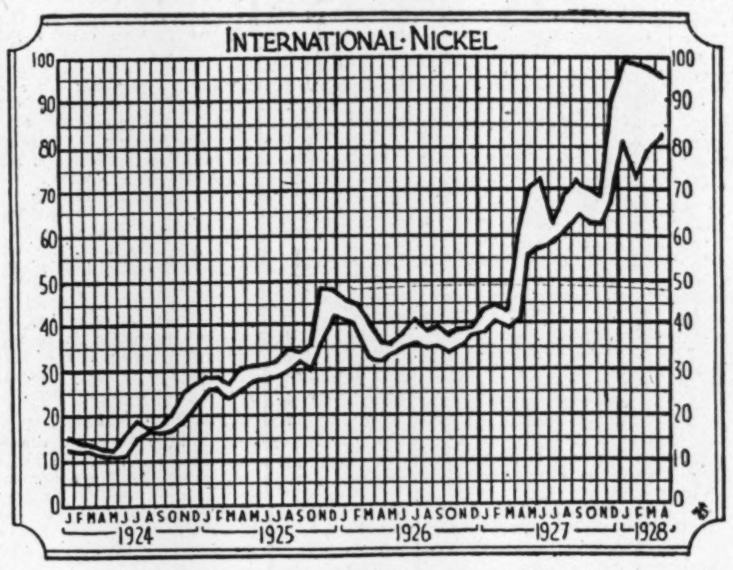
## Complete Mining Equipment is Shipped Pretty Girl

We venture to state that our heading will attract the attention of practically every reader of our mining section. The question will of course arise, as to why and wherefore. Many of our readers will have already learned by experience that most pretty girls are quite expert "gold diggers," and that the only equipment employed is a pair of pretty eyes, a lip stick and compact, and other feminine aids now used to retain that school girl complexion, plus a pleasing smile and a winning manner. Mining equipment would therefore seem superfluous.

The "Pretty Girl" in question is located in British Columbia. She, or it, is a mine in fact, located near Invermere, with gold and silver values and indications that it will develop into a promising property.

A full line of mining equipment, consisting of compressor, engine, jackhammer, ore cars, rails, etc., have been taken into the property, and it is expected that in a month or two, shipments of ore will be made.

**Nickel's Amazing Upward Movement**




Market range and spread between high and low prices of stock.

# "I.K.'s" Possibilities as Investment Stock Subjected to Analysis

### Increased Use of Company's Products Reflected in Earnings

### VALUE OF FROOD

### Canadians Confident Buying Based on Possibilities For Higher Future Earnings

**INTERNATIONAL NICKEL'S RECENT FINANCIAL HISTORY**

| Year ending Dec. 31 | Earned on Common Per Share | Dividends on Common Per Share | Net Working Capital Dec. 31 |
|---|---|---|---|
| 1927 ... | $3.30 | $2.00 | $17,638,697 |
| 1926 ... | 3.00 | 2.00 | 15,531,017 |
| 1925a .. | 2.29 | 1.00 | 15,055,135 |
| 1925c .. | 1.43 | None | 14,135,763 |
| 1924c .. | .0.40 | None | 10,883,123 |
| 1923c .. | Nil | None | 9,437,955 |

a Nine months ended December 31.
c Year ended March 31.

"Is 'Nickel' Over-Valued?" is the title of an illuminating analysis of the International Nickel Co., by Ferdinand Otter, appearing in the current issue of The Magazine of Wall Street. It bears out in many respects articles on this company which have appeared from time to time in The Financial Post.

Mr. Otter states, "International Nickel is understood to produce well over 90 per cent. of the world's supply of nickel, and is known to control most of the world's commercial nickel ore." Mr. Otter perhaps falling into the error common to many Americans, of believing that International Nickel is Canada's only big producer of the metal, totally ignores the Mond Nickel Co., which ranks next to the International as the world's largest producer. Just how Mond sizes up with "I.K." is illustrated by Canada's nickel production figures for 1927.

In that year the total production was 81,848 tons of matte. Of this amount, International Nickel shipped 39,942 tons to its Port Colborne refinery, and Mond Nickel 33,541 tons to its refinery in Swansea, Wales.

Mr. Otter states:

"Back of the advance in International Nickel common stock from a low of 11½ in May, 1924, to a high of 99¾ last January there are three outstanding factors: (1) Increasing earnings from nickel operations; (2) Discovery of very rich copper-nickel ore in the company's Frood mine; and (3) A nation-wide demand for the stock among Canadian investors. For the purpose of lucid analysis, these factors will be discussed in the order listed.

Let us begin by discussing the International Nickel Company "ex" the Frood mine. Then, by degrees, we may pass from the investment side of the enterprise to the speculative appeal of the stock—from the well known to the partly known.

For all practical purposes the corporation controls the world's nickel trade. It is understood to produce well over 90 per cent. of the world's supply of the metal and is known to control most of the world's known commercial nickel ore. Competition is unimportant, and production costs are low. In addition, it has a monopoly in the production of "monel metal," a natural alloy of copper and nickel produced from its Creighton mine ores which is finding increasing commercial employment because of its peculiar qualities.

**Nickel a War Metal**

"Up to the close of the late war, nickel was largely an ordnance metal, finding few important markets in ordinary peace time activities. At the end of the war the management found the

(Continued on page 18)

## Don't Sell Short Advice on Nickel

Don't sell Nickel short, is the advice given Americans by a writer in the Magazine of Wall Street.

"The Canadians will get you if you don't watch out!" he warns.


**Parker Island May be Your Treasure Island**

**The Cadillac-Malartic Dubuisson Gold Area in Northern Quebec bids fair to bring Quebec to full prominence as a gold-producing province.**

Parker Island Gold Mines Limited (No Personal Liability) has been formed with a capitalization of $3,000,000 in $1.00 par shares to develop four groups of promising properties in the rich gold area mentioned.

One vein uncovered for a length of 300 feet on Parker Island has given the following recent excellent assays:—

**Pit, west end of main vein, 4½ feet .................... $13.80**
**20 feet east of above, 4 feet .. 60.40**
**East end of vein, 5½ feet ... 26.40**

Further development is being aggressively carried on.

The opportunity is now open to you to share in this enterprise, with its profit-making possibilities.

The first two offerings of Parker Island Gold Mines stock have been fully subscribed. **A third allotment is now offered at 30c per share.**

Orders should be placed at once, as the offering is limited; but if further details are desired first, we shall be glad to furnish them on request, without obligation.

*We recommend this as an approved speculation*

**WALTON and CO., LTD.**

*Specialist in Mining Securities*
*Members Montreal Mining Exchange*
MONTREAL

WALTON & COMPANY, LIMITED,
Insurance Exchange Building,
Montreal.

Please forward me without obligation full particulars concerning Parker Island Gold Mines opportunity.

*Name* ....................................

*Address* ....................................


## WAINWELL OIL STRIKES GUSHER AT WAINWRIGHT

### Well Produces 360 Barrels Crude Oil Every 24 Hours

Wainwell Oil Co. brought its first well into production in the Wainright oil field on June 1. The well by actual measurement is said to produce 360 barrels of crude oil per 24 hours. Tests for baume gravity have not yet been made, but it is believed to be of as good or better grade than any well yet located in this field.

The company is preparing to sink a second well at once, to be followed by a third shaft as soon as No. 2 is completed.

Government officials representing the oil section, who came from Calgary to examine the well, are said to be well satisfied with the manner in which this producer was brought in without evidence of water.

The new gusher was the old Interior No. 1, which was recently taken over by the Wainwell Oil Co. This well had been under way for two years, but it was only eleven days after the new interests started drilling, that it was brought in at a depth of 2,065 feet.

The Wainwell Oil Co. is a Toronto company. It has an authorized capital of 300,000 shares of no par value, and present developments were partly financed by the sale of 50,000 shares of stock in London, while additional finances were raised in Canada.

The stock has risen from $1 to $3 a share.

## NOR'WEST QUEBEC RAPIDLY BECOMES BIG GOLD CAMP

### Amos Promises to Rival Rouyn as Mining Town

The Malartic - Fourniere - Cadillac section in Northwestern Quebec, promises to be one of the outstanding gold camps of Canada, and Amos is rapidly assuming the position attained by Rouyn in the early days of that town's big boom.

Malartic Mines stands out as the farthest advanced prospect in this area, and gives every indication of proving up as a big gold producer. The size of the Malartic ore bodies has not yet been ascertained, but diamond drilling and cross-cutting suggest the presence of seven ore bodies, and the total widths of the ore exposed or indicated, will probably be not much under 100 feet.

The ore bodies, which vary between low and high grade, tend to converge toward the west, and further drifting in this direction should provide the necessary information to size up Malartic's possibilities.

Malartic's two main ore bodies are said to be about 40 feet wide, and to grade about $7. The first of these two major deposits has been drifted on for nearly 600 feet, and the shaft here is down to a 375 ft. depth. The second, which was located some distance to the south, by diamond drilling, has not yet been reached by cross-cutting on the 130-ft. level, but indications are that it will be at least 500 feet in length.

The other veins, which appear to converge toward the west, run consistently from $10 to $30 over from 4 to 6 feet widths.

Milling tests are said to have shown high recovery and costs low, as the ore is more amenable to milling than the average.

**Thompson-Malartic's Rich Ore**

Thompson-Cadillac, another promising operation in this district, has its shaft and sump down to 325 feet. Drifting on the vein which was begun from the shaft has commenced. A second shaft 500 feet to the west, has been carried down to a depth of 85 feet, on the same vein. Rich ore has been recovered from both workings. Operations are being carried out under the direction of Murray Kennedy, E.M., former manager of Castle Trethewey.

**Sladen Malartic's New Group**

Sladen Malartic, which adjoins the Malartic on the west, has recently acquired the Richard's group lying to the northwest of Malartic. The new property is in direct line of the strike of Malartic's productive shear zone, and now gives the Sladen Malartic approximately 2½ miles along the western projection of the general shearing in which Malartic has found all its ore so far.

Dr. W. F. James, late of the Dominion Geological Survey, is in charge of exploration work, and has expressed himself as highly pleased with the outlook.

**Graham-Bosquet Sinks Shaft**

The Graham-Bosquet, whose property adjoins Thompson-Malartic on the West, has its shaft down to a depth of 50 feet. It is reported that mineralization is present across the entire face of the shaft, with quartz stringers showing at intervals across seven feet and fine visible gold appearing in practically every round.

The first load of equipment has arrived at the Robb-Dean property, lately acquired by Malrobic Mines. Shaft-sinking is to begin by the end of the month. It is proposed to put the shaft down to a depth of 500 feet. A station will be cut at the 200-ft. horizon, and a cross-cut run in to the north and south. The vein appears to be almost vertical which would indicate the shaft will be in ore much of the way down.

Cartier Malartic is busily engaged in exploration work, and has a force of over 40 men at work on surface work and shaft-sinking.

Thompson - Malartic Mines has commenced operating on its group in Cadillac Township. The work is being carried out under the direction of E. J. Thompson, who staked the Thopmson-Cadillac. Thompson-Malartic is a new company. It has been capitalized at $3,000,000 shares of $1 par value each. Its properties consist of 17 claims in Cadillac township and 13 in Malartic township. 1,300,000 shares have been issued for the properties.

**New Nova Scotia Mill**

New ten-stamp gold mill with ten thousand pound stamps, erected as part of the new equipment of the Metals, Mining and Smelting Corporation of Canada, Limited at Montague, Halifax County, which was put into operation last week.

## NEW GOLD MILL NOW OPERATING NEAR HALIFAX

### N.S. Minister of Mines Sets New 50 Ton Mill in Motion

The new ten stamp mill of Metals Mining & Smelting Corporation, which has just been put into operation at Montague, Halifax County, N.S., marks the rapid strides being made in the new development of Nova Scotia's old gold mining areas.

These have lain idle or been but partially developed for many years, but with the big strides made in modern mining have again attracted the attention of Canadian mine operators, with the result that Nova Scotia has again come into the picture as a gold mining centre.

Metals Mining and Smelting Corporation's mill is of the latest design, containing crushers, stamps and Wilfley tables and has a capacity of 50 tons of ore a day. It is the first unit of a larger mill, which it is proposed will be erected.

The Hon. G. S. Harrington, Minister of Public Works and Mines, set the new plant in operation, in the presence of a representative gathering of prominent mining, business and financial men including Hon. J. F. Fraser, Hon. J. A. Walker, H. R. Silver, J. H. Winfield, James Farquhar, E. C. Grundy, B. O. Moxon, G. V. Guy, E. C. Phinney, and A. W. Robb.

**Lorrain Trout Lake Cuts Vein**

Lorrain Trout Lake Mines is reported to have cut another new vein on the 725-foot level, which is said to run 5,000 ounces. Another report is to the effect that Tough-Oakes have cut the vein in the shaft at the 1,750-foot level. No word as to values has been received.

**UNLISTED MINE SHARES**

| | Bid | Asked |
|---|---|---|
| Abitibi | 4½ | 6 |
| Astoria Rouyn | 13 | 16 |
| Blue Quartz | .. | 26 |
| Boston McCrea | 6 | 9 |
| Brett-Trethewey | 24 | 31 |
| B. Can. Mines | 19 | 12½ |
| Brownlee | .. | 12 |
| Bunker H. E. | 20 | 28 |
| Callinan F. F. | 52 | 58 |
| Can. Kirkland | 2 | 4 |
| Chelmsford M. C. | 35 | 50 |
| Harker | 25 | 27 |
| Howey Units | 300 | 320 |
| King Kirkland | 9 | 12 |
| K. Eastern | .. | 8 |
| K. Townsite | .. | 8 |
| Lartic M. | 33 | 37 |
| March Gold | 5 | 7 |
| Marshay Zinc | 20 | 25 |
| Ore Chimney | 11 | 12 |
| Ostrom | 11 | 13 |
| Pandora G. | .. | 40 |
| Rouyn G Pan. | 29 | 32 |
| Salmo Mal. | 85 | 92 |
| Walsh Kat. | 11 | 13 |
| Wood Kirk. | 22 | 26 |

## TREAD.-YUKON STARTS SINKING THIRD SHAFT

### New Mill Obtains Almost Perfect Recovery, Reports Says

Sinking of Treadwell-Yukon's No. 3 shaft by power is to proceed immediately the necessary plant is assembled. Concrete foundations are now being poured for the power plant and in the meantime the sinking is proceeding by hand steel and has reached a depth of 17 feet.

It is proposed to put the shaft down to a depth of 1,000 feet. No. 2 shaft has been completed and connection made with No. 1 shaft on the 300 foot level.

Treadwell-Yukon's new mill is reported to be obtaining almost perfect recovery. It has been in operation over two months and is now treating 225 tons a day.

Although Treadwell-Yukon is employing some 400 men as compared to a force of 100 less than two years ago, their services are not required in the mill, which represents quite the latest in labor saving machinery. But three operatives are required to superintend complete operations.

Treadwell Yukon's tonnage will be brought up to 500 tons a day as soon as the additional crushing equipment is installed. At the present time one ball mill is operating and a second unit is being assembled.

Copper, zinc and lead concentrates are being treated by a special flotation process, while a special treatment follows to recover the gold and silver values from the tailings.

Treadwell-Yukon is fast shaping up into the big producer class, at its present rate of progress.

## BIG ORE BODY IS INDICATED AT SAN ANTONIO

### Averages Over $10 — Is 7 ft. Wide and 800 ft. Long

Results obtained by San Antonio Mines operating at Rice Lake, Central Manitoba, indicate a big producer in the making.

Diamond drilling has outlined an ore body seven feet wide and 800 feet long averaging over $10 to the ton, with considerable evidence to suggest that the full length is at least 1,300 feet, and possibly over 2,000 feet. Underground work has revealed sustained values to a depth of 600 feet. An official of the company expressed the opinion that the company had more profitable ore indicated than any property in Manitoba outside of Sherritt-Gordon, Flin Flon and Mandy. The company is capitalized at 2,000,000 shares, and has $100,000 cash on hand.

## Northern Light Mine Gets Good Results

Latest developments at the Northern Light Mine, Salmon River, Portland Canal district, B. C., indicate that it has picked up the continuation of the Woodbine ore body. Two large veins now being stripped on the western end of the property, appear to be extensions from the Woodbine. Surface samples taken from these outcrops have been running over 21 ounces in silver.

Development work is being pushed forward by G. R. Bancroft, engineer in charge, who reports having already stripped 160 feet of one outcrop on the northeast portion of the property. One of these, three and a half feet wide, has sampled as high as $64 to the ton.

**Gordon Lebel Drilling**

A diamond-drilling campaign is to be started this week on the holdings of Gordon Lebel Mines, Ltd., in the Eastern Kirkland section. An examination of the company's property has just been made by Percy Hopkins, and the diamond drilling is being carried out on his recommendation.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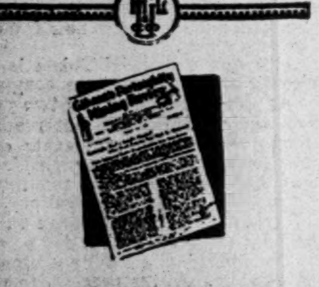

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**Astoria Rouyn Mines**
Limited

Telegram from Engineer states that they have crosscut the vein in the tunnel and found it 15 feet wide and richer than it was on the surface.

Drifting has begun on the vein east and west from the tunnel. Engineer also advises that the pipes to carry the air from the compressor to the drills on the Free gold zone 950 feet to the south have arrived and are now being placed in position.

Aggressive work is being carried on.

ASTORIA ROUYN MINES LIMITED
74 Sparks Street, Ottawa

# 372 BAY STREET STERLING TRUSTS NEW HEAD OFFICE

## Name of Office Building Will be That of Corporation

It is announced that the Sterling Trusts Corp. will occupy the entire main floor (as distinguished from the ground floor) of the office building now being constructed at 372 Bay street, corner of Richmond street, Toronto. The head office of Sterling Trust has been on King Street East.

The building at 372 Bay street will be known as the Sterling Trusts Building. Sterling Trusts had options on the property before construction was started and these were turned over to Yohles & Rotenburg in consideration of a lease of the main floor on favorable terms. The building will be twenty storeys and basement and of steel and concrete. The public financing has been an issue of $850,000 of 6½ per cent. first-mortgage bonds.

# Chelmsford Corp. Starts Drilling

First of the diamond drills for Chelmsford Mining Corp. will be in operation this week. C. Lorne Campbell, president and managing director, is now in Sudbury, where he will locate the hole. Oscar Smith, of Ontario Diamond Drilling Co., Sudbury, will be in charge of the drilling.

This drill marks the first step in a diamond drill campaign involving a minimum of 20,000 feet which Chelmsford Mining Corp. plans for this season, along the lines which proved successful in developing the neighboring properties of Treadwell-Yukon and Sudbury Basin. Additional drills will be added as rapidly as arrangements can be made.

Properties of Chelmsford Mining Corp. form one of the largest groupings in Sudbury area. They are divided into two groups, the first of which adjoins Treadwell-Yukon, and for a distance of 2½ miles divides with that company the Onwatin Slate Belt in which their famous orebodies have been found.

The second group is situated on the north side of the Basin and, like the first group, lies almost wholly on the Onwatin Slate Belt. It contains 3,360 acres and has a length of approximately four miles on the formation.

Issued capital of the company consists of less than 1,500,000 shares with more than 3,500,000 shares in the treasury.

# THE NATION'S BUSINESS

(Continued from page 1)

incident. It will be recalled that in March, Mr. King pointed out that he had been given credit in 1922 for having played some part in averting a war in the Near East. At that time he said in the House of Commons:

"We are told that but for the action of Canada in taking the position which she did at the time, in asking that the facts be first brought out and that the Parliament of Canada should have its say before a contingent be sent abroad, a second great European conflict might have taken place."

Mr. King also quoted at the time Lieut.-Col. John B. Maclean, president of the MacLean Publishing Company, who, in a signed article in The Financial Post and MacLean's Magazine had supported Mr. King's stand at the time he demanded further information from Britain before committing Canada to support military support in a war against Turkey. Mr. King said:

"I may give to my Hon. friends opposite the opinion of one who, I think, was well informed at the time, but who no one for a moment will say is an advocate of the present administration, much less of myself. I refer to Lieut. Col. John Bayne Maclean of MacLean's Magazine. What did that paper have to say with reference to this matter? Colonel Maclean, the editor, under his own name in the issue of November 15, 1922, published an article headed:

DID CANADA STOP NEAR EAST WAR?

Refusal to Take Precipitous Action Saving Factor—Sane Thinking Essential to Peace.

"That was the opinion, at the time, of Colonel Maclean, and he had sources of information which I do not hesitate to say, from what I have since learned, were pretty reliable. The view which he had expressed I have been told in Great Britain, on very high authority, was not very far from the mark of what might have followed had Canada not taken the position which she then did."

* * *

MR. KING'S remarks apparently proved embarrassing to the British government and both Lord Parmoor and the Marquis of Salisbury were at pains to stress their belief that British public opinion had quite as much to do with averting a Near Eastern war as had any action of Mr. King.

This might easily have been construed as a slap in the face for Mr. King and apparently the Quebec Chronicle Telegraph so construed it. But undoubtedly the remarks of the British lords were based upon the London Times' cabled summary of Mr. King's remark, which in the condensation made Mr. King's claims stronger than they really were. The London Times report, for instance, said: "He (Mr. King) claimed the credit for averting a serious European war by his stand over the Chanak affair in 1922," which is just sufficiently different from what Mr. King said to cause misunderstanding.

Later Mr. King charged the London Times with having published an inaccurate report of his speech and blamed this report for the misunderstanding between himself and the British government. He denied that he had claimed the credit for averting a war.

It is this series of references by Mr. King to the Chanak incident that causes the Quebec Chronicle Telegraph to attribute to Mr. King the habit of concealing his real thoughts with his language. The Quebec paper is published by a lifelong Liberal and its managing editor is, we beieve, a Liberal, but it apparently has little respect for the prime minister.

# Public Utility Earnings

Southern Canada Power

| May— | 1928 | 1927 | Increase |
|---|---|---|---|
| Gross | $1,189,225 | $1,101,828 | $178,397 |
| Expenses | 48,416 | 42,939 | 5,477 |
| Net | $100,365 | $ 77,073 | $ 23,292 |
| 8 months— | 1928 | 1927 | Increase |
| Gross | $1,180,225 | $1,101,828 | $178,397 |
| Expenses | 377,835 | 338,847 | 38,988 |
| Net | $811,390 | $671,981 | $139,409 |

# Barry Hollinger Cuts High Grade

Favorable showings are reported to have been struck by Barry Hollinger in shaft-sinking at a depth of 1,240 feet. One or two assays have been made which indicate high grade ore. Officials of the company are reserving any comments until further information is available. The operations are still in ore, and it is not thought any official statement will be forthcoming until the 1,250-foot level is reached. A station is to be cut here, and a drifting proceeded with. Definite news of Barry Hollinger's latest find will probably be forthcoming next week.

# Ore Indications Farther to East in Sudbury Basin

Diamond drill results on East Sudbury Deep Mines, reported as highly encouraging, are of considerable importance to Sudbury Basin. This operation surrounds Blezard P. O. and is a considerable distance northeast of the Treadwell-Yukon and the main section of the camp. This area has been well regarded. Surface outcrops are few and study of the geological situation has been somewhat restricted. However, engineers of East Sudbury Deep found sufficient outcrops to get a good line on the outlook and three drill holes were spotted. The last of these, No. 3, was started through some 150-ft. of overburden and is said to have cut a substantial footage of heavy mineralization. Unofficial reports are to the effect that there were good sections of the 1,000-ft. core that carried considerable ore but the company's statement only claims mineralization.

# OLD SAWYER CO. IS MERGED WITH NEW

## Shareholders Approve Basis of Exchange Planned Year Ago

Shareholders of Sawyer-Massey Co., Ltd., have become shareholders of Sawyer-Massey, Ltd., the new company formed in 1927 and which bought out the old company with 16,500 shares of no-par common stock of the 50,000 shares of the new company issued.

The old company had outstanding $1,500,000 of 7 per cent. cumulative preferred in arrears from 1914 and $1,500,000 of common of $100 par value. The old shareholders receive one share of new common for each old preferred and one share of new common for each ten of old common. The exchange was ratified this week.

# Arrange to Finance Hotel in Kirkland Lake District

MONTREAL.—Arrangements are said to be under way for the creation of a new company to be known as the Northern Ontario Hotels, Ltd., which is being formed for the purpose of building and operating a hotel at Swastika to afford accommodation to travelers entering the Kirkland Lake district. In these two centres there is now a population of 10,000 and the necessity for additional hotel accommodation has been urgently felt for some time.

A fine site has been secured adjacent to the railway station at Swastika on which will be erected a modren hotel with forty rooms. The property acquired will be ample to provide for any enlargement of the hotel and construction will be carried on so as to permit of expansion if desired.

The capitalization of the new company will consist of $100,000 preference shares, of which $75,000 is to be issued at par. With each share of preferred will be a bonus of one fully paid common share.

# "I.K.'S" POSSIBILITIES AS INVESTMENT STOCK SUBJECT TO ANALYSIS

(Continued from page 17)

company facing a severe slump in earnings, although production costs were very low and ore reserves were adequate for upwards of a hundred years of operations. Monel metal had not been introduced on any considerable scale; there was a considerable surplus of nickel above ground; and the nickel market prospect was anything but bright. The common stock declined to one-fifth of its war value, and common dividends had to be discontinued."

Mr. Otter then goes on to show how International Nickel set to work to find peace time uses for the metal by setting up a research bureau, building plants to make new products, and educating the public by extensive advertising of the advantages of using nickel and monel metal.

"At first," he says, "the results were slow. Operations in 1922 were at a loss. In 1923, the net was only $48,170, or but 54 cents a share on the 6 per cent. preferred stock. In 1924, there was a net of $1,206,787, equal after preferred dividend requirements to 40 cents a share on the common; and thereafter there was a steady gain in profits until in the first quarter of 1928 net earnings were at the annual rate of $4.72 a share. In September, 1925, dividends were resumed on the common stock, and have been continued since at the rate of $2 a share.

In spite of development expenses and large property expenditures, net working capital has gained steadily. Let it further be noted here that all current earnings are coming from the operations of the older Creighton mine and from the fabricating plants and rolling mills—that the Frood mine is not on an income basis and actually is something of a drain on the operations of the other properties, since part of the earnings from them are going into its development.

### The Creighton

"We begin, therefore, with a picture of International Nickel, excluding the Frood mine, which looks as follows:

"Capitalization: subsidiary funded debt, $2,100,000; 6 per cent. preferred stock, 89,126 shares of $100 par value; and 1,673,384 shares of common stock of $25 par value paying $2 per annum in dividends.

"An annual earning power of $3 to $5 a share for the common stock without the Frood mine.

"A net working capital of $17,638,697 (Dec. 31, 1927), of which $6,667,555 was cash or cash equivalents.

"Nickel ore reserves which probably will not be exhausted during the lifetime of any present investor.

"A steadily expanding demand for nickel and monel metal in the markets for which the company holds unquestioned leadership.

### The Frood

"Now, it is a pretty safe statement that the Frood mine will not produce copper in 1928, that it will not produce much metal in 1929, and that it will not be on a profitable basis till late in 1930 or early in 1931. Unofficial estimates have been made that the property, when fully equipped, should be able to produce 75,000,000 to 100,000,000 pounds of copper per annum. Some of the more optimistic have "guessed" that, after crediting precious metal values (gold, silver, platinum, etc.) and nickel values against costs, copper from the Frood mine may cost International Nickel as little as two cents a pound. If the estimate that there are 100,000,000 tons of rich ore in the property is reasonably accurate, the life of the new mine will be a very long one.

### Earning Power of Frood Mine

The following estimates give some idea of the possible earning power of the Frood mine, the property which seems currently valued in the stock market at around 100 million dollars:

"Producing 75,000,000 lbs. of copper per annum at a net cost of seven cents a pound with copper at 14 cents, $5,250,000.

"Producing 75,000,000 lbs. of copper per annum at a net cost of five cents a pound with copper at 14 cents, $6,750,000.

"Producing 75,000,000 lbs. of copper per annum at a net cost of two cents a pound with copper at 14 cents, $9,000,000.

"Producing 100,000,000 lbs. of copper per annum at a net cost of seven cents a pound with copper at 14 cents, $7,000,000.

"Producing 100,000,000 lbs. of copper per annum at a net cost of five cents per pound with copper at 14 cents, $9,000,000.

"Producing 100,000,000 lbs. of copper per annum at a net cost of two cents per pound with copper at 14 cents, $12,000,000.

"The reader easily can compute for himself other combinations. Fourteen cents a pound is taken in the above calculation as a good average year-in-and-year-out price for the red metal.

"It has been quite definitely established by diamond drilling that: (1) the Frood mine contains a substantial ore tonnage; (2) that the ore is rich in copper and contains unusual precious metal values; and (3) that the cost of producing copper at the property should be very low. However, the following important factors cannot yet be determined; (1) approximate production costs; (2) productive capacity of the new property equipped; (3) size and structure of the ore body; (4) cost of treating unusually complex ore; and (5) metal market conditions (platinum as well as copper, nickel and silver) during the life of the mine.

"If the by-products production of nickel from the Frood mine is substantial, moreover, it might prove economical to curtail operations at the old Creighton property (now the nickel and monel metal producing property) and earnings from the older mines might be reduced. This thought, let it be said, is the writer's; it is not based on any published plans of the management, which plans necessarily are entirely tentative at this stage.

### Worth $50 Without Frood

"For the sake of argument, therefore, let us assume that, on the basis of the going quotations for other industrial and mining issues, International Nickel common stock, "ex" the Frood mine, is worth at least $40 a share, and probably, at least in a market such as recently prevailing, around $50 a share.

For the scake of argument, again, let us assume that the difference between the current price of the stock, around 92 as this is written, and the value we have figured, without the Frood mine, is the market's appraisal of the Frood mine itself—minus equipment and working capital to develop it. If this is accepted as the basis of analysis, the Frood mine is appraised in the stock market at somewhere between 78 million and 95 million dollars.

"On page 6 of International Nickel's annual report for 1927 it is stated: "Estimates indicate that to complete the (Frood mine) program, inclusive of mine developments, smelter construction, installation of hydro-electric equipment and additions to your electrolytic refinery at Port Colborne, there will be required during the ensuing three years an expenditure of approximately $12,000,000, which amount is inclusive of the erection of an electrolytic copper refinery at Copper Cliff, if the latter is deemed advisable at a later date." Adding 12 million to the 78 million or 95 million, the stock market now must be appraising the Frood mine, fully equipped, at 90 million to 107 million dollars.

### Distribution of the Stock

"We now come to the third part of the analysis—the technical position of the stock. The price chart shows a very orderly appreciation; that gains have been gradual, and usually well held; and presents every evidence of accumulation rather than of distribution. Brokerage houses which have been active on the buying side note two outstanding facts: that much of the buying has been in the nature of outright purchases of big blocks by very wealthy Canadians, and that the "small fry" Canadian public is carrying large amounts of "Nickel" on margin. They tell us, also, that the Canadian buying has been of a very confident nature, for the pull rather than for a turn; that the short interest in the stock usually has been in the United States; and that for three years the short interest almost always has lost money. A while ago it was reckoned that at least 65 per cent. of International Nickel was held in Canada, and the percentage now probably is greater. For three years, the trend in International Nickel ownership has been in favor of the Dominion.

"There has been a tremendous speculation in International Nickel, a speculation which has been based on future earnings possibilities rather than on immediate dividend prospects. The price of the stock at present discounts far into an indefinite future, and ignores some of the risk elements inherent in the position of the company.

"This analysis aims to be explanatory, suggestive and clarifying rather than advisory; but this much may be said in the way of caution—even if you do not think International is worth the price, it may be just as well not to yield to the temptation to sell it short. "The Canadians will get you if you don't watch out!"

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**East Sudbury Deep Mines Limited**
Chosen on its Geology

WE wish to direct attention to the map accompanying this advertisement showing the location of East Sudbury Deep Mines, the financing of which D. S. Paterson & Company, Limited, will shortly announce.

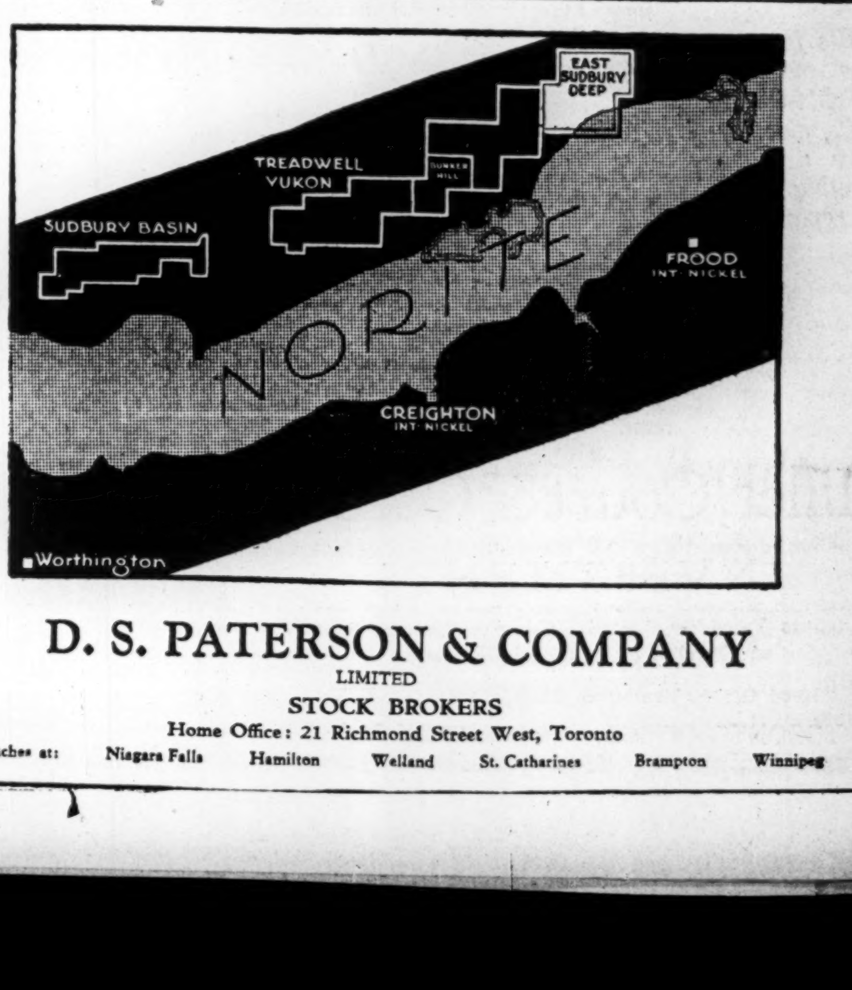
The most prominent feature of this map is the lightly shaded areas marked "Norite." This Norite formation is regarded by geologists and engineers as of great significance in the indication of ore deposition in the Sudbury Basin. The theory is that the intrusion of the norite folded, cracked and faulted the adjacent rocks causing several breaks comprising the "Great Fault Zone" within the basin. It is in this great fault zone that the important copper-zinc ore bodies have been found.

The Sudbury basin is an area within a ring of Norite rock. In some places as the map shows, this Norite is much wider or thicker than in others. These thick points are called embayments or bulges. The faulting and shearing favorable to ore deposition is found to be more intensive opposite these wide embayments of Norite. Most of the important nickel-copper mines *outside* the basin occur at points close to where these wide embayments are found. Similarly the most important deposits *within* the ring of the basin have been found close to these embayments of the Norite.

What the map indicates and what we specially wish to point out is that East Sudbury Deep Mines Limited like Treadwell-Yukon and Sudbury Basin and International Nickel's Creighton, and Frood Mines occupies a strategic geological position adjacent to a large embayment of norite. This caused the geologists and engineers to select it from over ten miles of lands examined.

Particulars of East Sudbury Deep's financing will be announced by us in a few days.

*We Invite Inquiries*

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(No Personal Liability)

We recommend the purchase of the Stock of this Company.

**BECAUSE**

The Shaft has reached a depth of 500 feet.

Ore has been cut at 100-200-325 and 400 feet, and Station is being cut at 500 feet preparatory to Cross Cutting and Drifting.

It is one of the deepest workings in North Western Quebec.

Radiore Survey now under way; indications most favorable.

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cannot be judged by the stock market. High or low prices make no difference to the operations being carried on at the properties and sale of shares on the floor of the exchange neither increases nor decreases the amount of money in the treasury.

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# Dunkin Gold Mines
*In the Woman Lake Gold Area*

OWNS approximately 520 acres in the Woman Lake mining area, District of Patricia. The surface indications and showings were so rich mining men referred to this property as the "jewelry shop."

Capital 4,000,000 shares, $1.00 par value, of which about 1,500,000 remain in the treasury. Company, with over $120,000 on hand, is amply financed to carry out projected plans.

Shaft sinking now under way. Mining plant, buildings and equipment are sufficient to sink to the 1,000-foot level.

Directorate composed of substantial business men—R. Home Smith, J. H. Black, J. G. Masson, J. R. L. Starr, J. A. Dunn, W. F. Spencer and S. A. Shoemaker, lessing competent, efficient administration.

These shares are traded in on the Standard Stock and Mining Exchange and, in our opinion, offer attractive speculative possibilities.

*Additional information on request.*

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Please send me a copy of The Market Despatch containing information on Dunkin Mines.

NAME ............................
ADDRESS ............................


# INTERPROVINCIAL EXPLORATION CO. SINKING SHAFT

## Crew of 40 Men Employed and Development Proceeding Rapidly

Development work is in full swing on the Interprovincial Exploration Co.'s Roche property in Ben Nevis Township. An official of the company has informed The Financial Post that a crew of 40 men are now employed on the property and a three compartment shaft has been sunk to a depth of 40 feet and will be carried on down to the 300 foot horizon. The company's plant will permit of sinking to a depth of 1,000 feet.

Surface exploration has extended the continuation of the ore showings for a distance of 600 feet. east of the shaft, while more than a mile west of this point, similar mineralization has been uncovered.

During the winter months a complete mining plant, including two 70 h.p. boilers, and a six-drill compressor were transported to the property, and camp buildings, offices and power house erected.

The company's ore is lead zinc copper with a gold and silver content, and of commercial grade. Assays taken have run over 100 ounces in silver.

The property was examined by Professor Louis D. Huntoon during the past year and favorably reported on by him. It is reached from Argonaut Siding on the Nipissing Central Railway, by the Argonaut Road, Beaver Lake House water route, and the interprovincial highway.

In addition to the Roche holdings, Interprovincial Exploration Co. has taken over two groups of James' holdings, making its total holdings over 1,000 acres on a mineralized zone which follows along the south side of the granite-diorites, which when traced out, show the continuation of the Quebec-Rouyn copper gold belt.

The company has been capitalized at $500,000, and its head office is in Montreal. E. A. Robert, Montreal, is president and Charles A. Sheehan, mine manager.

# NEW TAX SCHEME FOR ALBERTA MINES

## Privy Council Having Killed One Tax, Another Will Follow

From Our Own Correspondent

CALGARY.—Following the decision of the Privy Council in connection with the Alberta coal tax, it is now stated that new legislation that will provide for a fair and workable taxation on the coal mines of the province will be prepared for submission to the next session of the legislature. The new act will be drafted in such a way as to overcome the objections of the Privy Council to the present tax and will come into effect within the present fiscal year, being made retroactive from the first of the year.

Premier Brownlee admits that the judgment of the Privy Council was unfortunate from the province's point of view because the Mineral Tax Act provided a simple and inexpensive form of administration and collection and it might not be possible to operate the new act so economically. About the same amount of revenue, however, would be aimed at as was estimated for the original act.

It was stated by the premier that money already collected under the tax, up to the time it was declared illegal, would remain with the province. "We see no reason, despite the contention that such a tax constitutes a burden on the industry," says Mr. Brownlee, "why the coal mining industry should be singled out for exemption from taxation. It is certainly our intention to bring in a new act that will meet the situation and which will come safely within our powers just as in the case of other industries."

It is understood that the new tax will likely be a straight property tax on the value of the property concerned and not a tax on the tonnage of production. The exact basis on which it will be levied has yet to be worked out.

The statement now made by Premier Brownlee has not come as a surprise to the coal operators. They anticipated that if the government lost its appeal other legislation would be enacted and for that reason the larger number of the leading operators were opposed to fighting the government in the first instance. As a matter of fact all but one company were continuing to pay the tax up to the time proceedings were taken. As matters now stand, as the premier indicates, the new act may be more costly in operation, which of course means that the money will have to come out of the pockets of the coal companies.


CHAS. SPEARMAN, B.Sc., M.A.
CONSULTING MINING GEOLOGIST AND ENGINEER
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Preliminary Explorations and Mining Programs
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Phone: ELgin 8929 — Cable Address: "Husky"



# Gold Centre Mines, Limited
(NO PERSONAL LIABILITY)

SHAREHOLDERS are hereby notified that the transfer books of this Company will be closed PERMANENTLY on the 31st day of July, 1928, and that after that date no further transfers will be made but shareholders will be entitled to receive one (1) share of Gold Centre Porcupine Mines, Limited, for each two (2) shares of Gold Centre Mines, Limited.

Certificates of Gold Centre Mines, Limited, stock must be surrendered to The Trusts and Guarantee Company, Limited, Toronto, Canada, Registrars and Transfer Agents of the Company, duly endorsed for transfer, and certificates for stock of Gold Centre Porcupine Mines, Limited, will be issued in exchange therefor on the above basis by the said Trust Company, which Certificates of Gold Centre Porcupine Mines, Limited, will be held by the said Trust Company in pool until December 31st, 1929, pursuant to agreement duly ratified by the shareholders of Gold Centre Mines, Limited.

As Gold Centre Mines, Limited, is under obligation to surrender its Charter within a limited time, shareholders are required to send in certificates for exchange without delay.

Dated this 11th day of June 1928.

By Order of the Board of Directors.

R. E. CAVENDISH, Secretary.



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# MARCH GOLD INC. MAKES SHIPMENTS TO ROYAL MINT

## Mill Has Been in Continuous Operation Since May 1

The mill of March Gold Inc., the latest operators to join the ranks of the Porcupine producers, has been in continuous operation since the first of May. During which month two shipments of gold bullion were made to the Royal Mint at Ottawa.

March Gold's general manager, Bernard N. Hyman, of Buffalo, has furnished The Financial Post with the following report of development work at the property:

"A substantial crew of men are in the mine breaking down the ore and doing considerable development work, and the progress being made in the mine is most satisfactory. While we do not feel that this is the proper time to issue a statement, we will say that the company's operations during the month showed a profit.

"It must be remembered that during this period that we are milling, we are making substantial expenditures for the erection of buildings, such as a new dormitory and cook-house, and we are carrying on a campaign of development work. We are continuing the drifting on the 425-foot level, besides opening up stopes, and as soon as this level is completed we will immediately start sinking our shaft to a lower level.

"It is, therefore, rather difficult at this time to issue a statement based on an analysis of the figures and will continue to be so until our development program is completed.

"It should be borne in mind that practically all of the ore milled so far has been development ore. The ore now being milled is not by any means the best ore we have succeeded in opening up and breaking down in our stopes.

"Later in the year we expect that our recovery is going to be much better. As it is, the returns for the first month, in spite of the fact that we have used development ore, and in spite of all the other expenditures herein mentioned, are greater than the results obtained through the last operation."

### MINING STOCK QUOTATIONS
Week Ending June 19

| | Par Val. | Div. Rate | Yield | High for wk. | Low for wk. | Close June 19 | Sales for wk. | Range 1927 High | Range 1927 Low | Range 1928 High | Range 1928 Low |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Abana | 1 | | | 2.79 | 2.60 | 2.70 | 44805 | 4.90 | .20 | 3.95 | 1.75 |
| Aconda | 1 | | | .20 | .16 | .16 | 108480 | .45 | .14½ | .47 | .16 |
| Afton | 1 | | | 1.95 | 1.8 | 1.94 | 36875 | 1.36 | 1.00 | 1.95 | 1.25 |
| Algonquin | 1 | | | .01¼ | .01¼ | .01¼ | 5000 | .05½ | .02 | .03 | .01 |
| Amity C. | 1 | | | .44½ | .37 | .40¼ | 35550 | .50 | .24½ | .50 | .24 |
| Amulet | 1 | | | 4.30 | 3.50 | 3.80 | 48348 | 7.10 | .85 | 5.20 | 3.00 |
| Apex | 1 | | | .06¼ | .04 | .04¼ | 9000 | .10 | .01 | .09 | .03 |
| Area | 1 | | | .33 | .30 | .31 | 27375 | 1.93 | .23 | .36 | .14 |
| Argo. Con. | 1 | | | .07½ | .05½ | .05¼ | 47290 | .59 | .25 | .34 | .05 |
| Arno | 1 | | | .28 | .17 | .19½ | 55600 | | | .37 | .15½ |
| Atlas | 1 | | | .02½ | .02 | .02 | 11500 | .07 | .02 | .04¼ | .02 |
| Ankerite | 1 | | | .40 | .35 | .40 | 6500 | 1.25 | 1.15 | 1.23 | .25 |
| Albain M. | 1 | | | | | | | | | .50½ | .20 |
| Bayview | 25c. | | | | | | | | | .12 | .08 |
| Bagamac | 1 | | | .15 | .10 | .15 | 1500 | .19 | .06 | .15 | .05 |
| Baldwin | 1 | | | .02½ | .02¼ | .02¼ | 7500 | .05½ | .01 | .03½ | .02 |
| Barry Holl. | 1 | | | .85 | .76½ | .77 | 261760 | 1.50 | .25 | 1.50 | .73 |
| Bathurst | None | | | .25½ | .22 | .25 | 41100 | | | .35 | .21 |
| Beaver | 1 | | | 1.33 | 1.30 | 1.32 | 10900 | 2.75 | .59½ | 2.25 | 1.29 |
| Bedford | 1 | | | .34 | .32 | .33 | 43600 | .52 | .19 | .54 | .32 |
| Bellellen L. | . | | | | | | | .23½ | .03 | .03½ | .02 |
| Bidgood | 1 | | | .88 | .69½ | .74 | 208000 | 1.83 | .05 | 1.60 | .61 |
| Big Horn | . | | | .27 | .27 | .27 | 500 | | | .44 | .27 |
| Boischatel | None | | | .03¼ | .02 | .02 | 44100 | .27 | .03 | .05 | .01¼ |
| Big Missouri | 1 | | | .54½ | .48 | .50 | 72550 | | | .90 | .48 |
| B.C. Devel. | . | | | | | | | 1.32 | 1.12 | 2.00 | 1.32 |
| Buckingham | 1 | | | .07 | .06¼ | .06¼ | 55800 | .09½ | .03 | .08¼ | .04½ |
| Bunker Hill | None | | | | | | | | | .35 | .35 |
| Bower M. | 1 | | | | | | | | | 1.22 | .75 |
| Cambro | 1 | | | | | | | .58 | .55 | .55 | .29 |
| Can. Lorraine | 1 | | | .14 | .12 | .14 | 7500 | .12 | .10 | .21 | .10 |
| Capitol S. | 1 | | | .14½ | .12¼ | .14 | 15200 | .34 | .14 | .18½ | .12 |
| Capitol R. | 1 | | | .13½ | .12 | .12 | 41200 | .54½ | .10 | .18 | .11½ |
| Cartier Mal. | 1 | | | | | | | | | .30 | .29 |
| Castle Tre. | 1 | | | .59 | .55 | .55 | 5975 | 1.27 | .61 | .81½ | .55 |
| Cen. Man. | 1 | | | 1.29 | 1.23 | 1.27 | 28700 | 2.30 | 1.07 | 1.95 | 1.23 |
| Chaput H. | 1 | | | .12 | .09½ | .11 | 32600 | .20 | .04¼ | .18 | .08¼ |
| Clericy | None | | | .17½ | .12 | .14 | 19400 | .31½ | .31 | .36 | .12 |
| Clifton | 1 | | | | | | | .03½ | .00½ | .02 | .01 |
| Coast Copper | 5 | | | 33.50 | 31.00 | 31.00 | 2510 | 43.25 | 9.75 | 60.00 | 28.00 |
| Col. Kirk. | 1 | | | .03 | .02¼ | .02½ | 60700 | .16 | .01½ | .09½ | .02¼ |
| Coniagas | 5 | | | 4.75 | 4.60 | 4.75 | 510 | 5.05 | 3.20 | 5.50 | 4.60 |
| Coniaurum | 5 | | | 4.80 | 4.55 | 4.80 | 146 | 5.78 | 2.80 | 5.50 | 4.10 |
| Cork Prov. | 25c. | | | .30 | .25 | .28 | 73400 | | | .47 | .25 |
| Cons. Copper | | | | .11½ | .10½ | .10½ | 200 | | | .14½ | .10 |
| Cons. Smelter | 25 | 40+10 | 4.80 | 267½ | 254 | 260 | 3862 | 274½ | 215 | 289½ | 251 |
| Copper Hill | 1 | | | | | | | .68 | .36 | .46 | .44 |
| Corona | 1 | | | .08 | .06 | .06 | 43700 | .37 | .10 | .16 | .06 |
| Crown Res. | 1 | | | .54 | .49 | .49 | 24482 | .80 | .39 | .70 | .39 |
| Davidson | 1 | | | | | | | .03 | .01 | .03 | .03 |
| Dunkin | 1 | | | .36 | .32 | .35 | 4500 | | | .55 | .30 |
| Destor | 1 | | | | | | | .43 | .20 | .28 | .20 |
| Dome Mines | None | $1 | 11.76 | 8.85 | 8.25 | 8.50 | 4906 | 14.60 | 6.85 | 13.35 | 8.25 |
| Dom. Kirk. | 1 | | | .02 | .01 | .02 | 8300 | .12½ | .01½ | .06½ | .01 |
| Don. Rouyn | 1 | | | .17 | .16 | .16 | 7700 | .56½ | .17½ | .22 | .10 |
| Dubec | 1 | | | | | | | 1.48 | .35 | .72 | .40 |
| Duprat | 1 | | | .07 | .05 | .05 | 34425 | .21 | .19¼ | .12½ | .05 |
| Dupuy | 1 | | | | | | | .79½ | .09 | .10½ | .10 |
| Dunwell | 1 | | | .25 | .21 | .21 | 3200 | | | .35 | .21 |
| Everett | 1 | | | .02 | .02 | .02 | 4500 | .05½ | .01¼ | .03 | .01½ |
| Federal Kirk. | 1 | | | .68 | .66 | .66 | 8100 | .78 | .40 | .77 | .60 |
| Fiske | 1 | | | | | | | .30½ | .05 | .10 | .03 |
| George Cop. | 1 | | | 3.85 | 3.85 | 3.85 | 50 | | | 6.00 | 3.25 |
| Golconda | 1 | | | .75½ | .73½ | .73½ | 12200 | | | .95 | .69 |
| Goldale | 1 | | | .31 | .30 | .30 | 21500 | .57½ | .20 | .44 | .28 |
| Gold Hill | 1 | | | .13½ | .10 | .11 | 108769 | .54 | .22 | .38½ | .10 |
| Gold Reef | 1 | | | .02½ | .02 | .02¼ | 44000 | .02½ | .01½ | .02½ | .01 |
| Goodfish | 1 | | | .54½ | .48 | .49½ | 78400 | | | .78 | .41½ |
| Granada R. | 1 | | | .27 | .23 | .23¼ | 89100 | .41 | .14½ | .35½ | .20 |
| Grover Daley | 1 | | | .09¼ | .08¼ | .08½ | 18400 | .37 | .08 | .15 | .07 |
| Graham | 1 | | | .38 | .34½ | .35 | 54100 | | | .40 | .30 |
| Grandview | 50c. | | | .43 | .34½ | .34½ | 59400 | | | .87 | .34½ |
| Harker | 1 | | | | | | | | | .43 | .41 |
| Harvie Exp. | None | | | .15 | .15 | .15 | 700 | 2.40 | .50 | .85 | .15 |
| Hecla | 1 | | | | | | | | | 1.30 | .95 |
| Hillcrest, c. | 100 | 6 | 9.23 | | | | | 65.00 | 50.00 | 65.00 | 65.00 |
| Hillcrest, p. | 100 | 7 | 7.77 | | | | | 90.00 | 81.50 | 90.00 | 85.00 |
| Hilltop | 1 | | | .12½ | .10 | .11½ | 16410 | .25 | .06½ | .23½ | .10 |
| Hollinger | 5 | 26 | 9.28 | 14.90 | 14.00 | 14.00 | 21282 | 22.65 | 16.40 | 18.10 | 13.50 |
| Howey Gold | 1 | | | .89 | .75 | .75 | 112075 | 1.78 | .42 | 1.91 | .75 |
| Hudson | None | | | 17.75 | 16.70 | 16.80 | 26388 | | | 23.25 | 16.40 |
| Indian | 1 | | | .06 | .06 | .06 | 11500 | .12 | .04 | .15 | .04½ |
| Int. Nickel. | 25 | $2 | 2.22 | 94.00 | 88.00 | 90.00 | 66558 | 90.25 | 38.00 | 103.75 | 73.75 |
| Jackson M. | 1 | | | .80½ | .73 | .75 | 38000 | .86 | .36 | .88 | .65 |
| Keeley | 1 | 8 | 12.50 | .64¼ | .61 | .64¼ | 8350 | 1.66 | .69 | .85 | .50 |
| Keora M. | 1 | | | .01 | .01 | .01 | 250 | .13½ | .02 | .05 | .01 |
| Kirk. Hunt | 1 | | | .13½ | .11 | .12½ | 24100 | .35½ | .10 | .28 | .11 |
| Kirk. Lake. | 1 | | | 1.90 | 1.80 | 1.80 | 25550 | 3.06 | .82 | 2.75 | 1.50 |
| Koot. Flor. | 20c. | | | .29¼ | .27½ | .28 | 195305 | .31 | .21 | .47 | .26 |
| Kirk. Prem. | 1 | | | .15 | .15 | .15 | 1000 | | | .40 | .15 |
| La Rose | 1 | | | .07 | .06 | .07 | 8000 | .12 | .03 | .08 | .03 |
| Lake Shore. | 1 | 30+10 | | 23.60 | 23.00 | 23.45 | 17242 | 28.20 | 15.40 | 27.70 | 21.15 |
| Lebel Ore. | 1 | | | .32 | .30 | .30 | 4300 | .66 | .30 | .59 | .26 |
| Laval | 1 | | | .20 | .17 | .18¼ | 60850 | .59 | .19½ | .28 | .15 |
| Lorrain C. | 1 | | | | | | | .03½ | .01 | .03 | .00½ |
| Lorrain T.L. | 1 | | | .45 | .45 | .45 | 50 | .86 | .52 | .70 | .30 |
| Lucky Jim | 10c. | | | .33 | .27 | .30 | 15200 | | | .44 | .27 |
| MacLeod R. | . | | | | | | | | | .35½ | .34½ |
| Mandy | . | | | 2.87 | 2.70 | 2.75 | 32225 | | | 3.50 | 2.60 |
| Macassa | 1 | | | .36½ | .34 | .34 | 14507 | .69 | .18 | .55½ | .33 |
| Malartic | 1 | | | 1.48 | 1.33 | 1.35 | 289220 | .78 | .23½ | 1.80 | .70 |
| Marriott | 1 | | | .16 | .15 | .15 | 24500 | .45 | .35 | .46 | .15 |
| McDougall. | 1 | | | .39½ | .35 | .35 | 42050 | .90 | .24 | .74¼ | .35 |
| McKinley | 1 | | | .19 | .17½ | .18 | 25300 | .25½ | .11 | .20 | .16 |
| McIntyre | 5 | 20 | 3.83 | 26.75 | 26.00 | 26.10 | 5110 | 29.00 | 24.00 | 29.00 | 25.25 |
| Mentor | 10 | | | | | | | .14 | .12 | .13 | .12½ |
| Millcrest | 1 | | | .05 | .04¼ | .05 | 14000 | .15 | .02 | .12 | .04¼ |
| Mining Corp. | 5 | 12½c. | | 3.35 | 3.30 | 3.25 | 10765 | 5.05 | 2.90 | 5.50 | 3.20 |
| Moneta | 1 | | | | | | | .15½ | .08¼ | .12 | .07½ |
| Montreal R. | 1 | | | | | | | .25 | .10 | .16 | .05 |
| Mint Ore | 1 | | | .40 | .35 | .36 | 12800 | | | .44 | .25 |
| Mond Nickel | £1 | | | 40.00 | 40.00 | 40.00 | 40 | | | 46.50 | 31.00 |
| Moss | 1 | | | | | | | | | .70 | .35 |
| Murphy | 1 | | | | | | | | | .49½ | .31 |
| Moffatt Hall | 1 | | | .19 | .17 | .17¼ | 57950 | | | .35½ | .16 |
| Monelk | . | | | | | | | | | .15 | .15 |
| Newbec | 1 | | | .50 | .39½ | .44½ | 312850 | 1.20 | .62½ | .66 | .23 |
| Night Hawk | 1 | | | .08½ | .07½ | .07¼ | 3100 | .10½ | .04 | .10 | .05½ |
| Nipissing | 5 | 6 | 7.47 | 4.10 | 3.75 | 4.05 | 7685 | 10.30 | 5.25 | 6.00 | 3.75 |
| Noranda | None | | | 38.50 | 31.60 | 35.10 | 226413 | 25.80 | 19.95 | 38.50 | 17.00 |
| Nat. P.& D. | | | | | | | | | | 15.75 | 1.00 |
| Nat. Silver. | 50c. | | | | | | | | | .20½ | .17½ |
| Notre Dame | 1 | | | .58 | .55 | .58 | 8100 | | | .58 | .50 |
| Ophir | 1 | | | | | | | .04¼ | .00¼ | .03 | .01 |
| Osisko | . | | | .65 | .48 | .59¼ | 15450 | | | .75 | .35 |
| Picard | 1 | | | .09½ | .07 | .08 | 45700 | | | .77 | .07 |
| Pawnee Kirk. | 1 | | | .41 | .32 | .38 | 74350 | .78 | .64 | .80 | .32 |
| P. L. Cobalt | 1 | | | .30 | .18 | .29¼ | 122821 | .18 | .02 | .30 | .06 |
| Porc. Crown | 1 | | | .04 | .03½ | .04 | 6000 | .11 | .03 | .08 | .03 |
| Pioneer | 1 | | | .58 | .57 | .57½ | 19725 | 1.18 | .45 | .68 | .48 |
| Potter Doal | None | | | .12¼ | .10 | .11 | 94950 | .65 | .10½ | .22 | .10 |
| Premier Gold | 1 | 24 | 10.90 | 2.26 | 2.15 | 2.20 | 20855 | 2.50 | 1.86 | 3.50 | 2.15 |
| Preston | 1 | | | .02½ | .02 | .02½ | 12000 | .07 | .03 | .05 | .02 |
| Pend Ore | 1 | | | 14.75 | 12.00 | 13.00 | 46735 | | | 25.50 | 8.00 |
| Pend pref. | | | | 1.00 | 1.00 | 1.00 | 1200 | | | 1.40 | .95 |
| Porter Idaho | 50c. | | | .59½ | .48 | .58 | 5925 | | | .88 | .48 |
| Ridgedome. | 1 | | | | | | | | | 1.25 | 1.03 |
| Ribago | 1 | | | .10 | .07 | .08¼ | 65050 | .87 | .13 | .25 | .07 |
| Rouyn G. | 1 | | | | | | | .04½ | .02½ | .03½ | .01½ |
| Rouyn, Que. | 1 | | | | | | | .04 | .01¼ | .02 | .01½ |
| Rubec | 1 | | | | | | | 3.65 | .80 | .80 | .19 |
| Realty & M. | None | | | .52 | .48 | .50 | 72100 | .38 | .15 | .54¼ | .09½ |
| R. Montbray | . | | | .24 | .20 | .20 | 11350 | | | .32 | .20 |
| Ruth Hope | 1 | | | .52 | .50 | .50 | 35300 | | | .63 | .50 |
| Rouyn Kenn. | 1 | | | | | | | | | 1.10 | 1.10 |
| Simard (new) | | | | 11.00 | 10.75 | 11.00 | 6885 | | | 11.00 | 10.00 |
| Silversmith | 20c. | | | .15½ | .12 | .14 | 9800 | | | .23 | .12 |
| Slocan King | 20c. | | | | | | | | | .11 | .08 |
| Selkirk | | | | | | | | | | .03 | .02¼ |
| San Antonio | None | | | .43 | .35 | .35½ | 162600 | .57 | .30 | .54½ | .33 |
| Siscoe | 1 | | | .55 | .53 | .55 | 9550 | .60 | .12 | .60 | .15 |
| South Keora | 1 | | | | | | | .64¼ | .04½ | .17¼ | .03½ |
| Stadacona | None | | | .17¼ | .15 | .15½ | 55200 | .55 | .13 | .21½ | .09 |
| St. Anthony | 1 | | | .47 | .45 | .45 | 600 | .50 | .16 | .52 | .33 |
| Sudbury M. | 1 | | | .07 | .06 | .06 | 2123 | | | .33½ | .06 |
| Sylvanite | 1 | | | 3.04 | 3.00 | 3.00 | 4420 | 4.80 | 2.60 | 3.90 | 3.00 |
| Sherritt G. | 1 | | | 6.00 | 5.75 | 5.90 | 39056 | | | 8.00 | 5.60 |
| Sud. Basin | None | | | 10.75 | 9.00 | 9.75 | 256970 | | | 12.00 | 8.40 |
| Sud. Contact | 1 | | | .26 | .19 | .19 | 36000 | | | .50 | .19 |
| Sunloch | 1 | | | | | | | | | 6.50 | 2.50 |
| Thom. Cad'c | 1 | | | .86 | .70 | .76¼ | 25100 | | | 1.06 | .57½ |
| Topley | . | | | .59 | .52 | .52 | 53450 | | | .65 | .52 |
| Teck Hughes | 1 | 60c. | 5.68 | 11.00 | 10.00 | 10.55 | 46257 | 12.00 | 5.37 | 11.60 | 7.85 |
| Telluride | 1 | | | .53 | .52 | .53 | 700 | .38 | .35 | .58 | .37½ |
| Tough Oakes | 1 | | | .28 | .26 | .26 | 86050 | .82 | .25 | .79 | .21 |
| Towagmac | 1 | | | 2.70 | 2.25 | 2.45 | 4855 | 5.75 | 2.85 | 4.10 | 2.25 |
| Timiskaming | 1 | | | | | | | .12 | .04 | .10¼ | .05 |
| Treadwell Y. | 1 | | | 20.00 | 18.50 | 18.50 | 1107 | 26.75 | 18.50 | 32.00 | 16.95 |
| Thom. Krist | 1 | | | | | | | .02 | .00½ | .01½ | .01 |
| United Kirk. | 1 | | | | | | | | | .20 | .14 |
| Vickers | 1 | | | | | | | 1.52 | .25 | 1.25 | .60 |
| Vipond | 1 | | | .55 | .53 | .54 | 28200 | 1.74 | .47 | .99 | .46 |
| Vaughan | 1 | | | | | | | | | 1.70 | 1.15 |
| Wakenda | 1 | | | | | | | .16 | .01 | .15½ | .06 |
| West D. Lake | 1 | | | .13 | .10½ | .11 | 40650 | .20 | .08 | .17½ | .08½ |
| Wiltsey C. | 1 | | | | | | | .74 | .50 | .56 | .38 |
| Wright Har. | None | 20c. | 4.70 | 4.50 | 4.10 | 4.25 | 59415 | 8.45 | 5.50 | 6.80 | 4.00 |
| Windfall R. | None | | | .10 | .08¼ | .08½ | 36300 | .31 | .19¼ | .25 | .08¼ |
| Whitewater | 1 | | | 2.40 | 2.35 | 2.37 | 15350 | | | 2.85 | 2.25 |
| Woodbine | None | | | .33¼ | .30 | .30 | 57000 | | | .46 | .30 |

### CALGARY OIL STOCK

| | Par Val. | Div. Rate | Yield | High for wk. | Low for wk. | Close June 19 | Sales for wk. | Range 1927 High | Range 1927 Low | Range 1928 High | Range 1928 Low |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Acme | . | | | | | | | | | .30 | .17 |
| Advance | 1 | | | .60 | .55 | .60 | 1065 | | | .95 | .25 |
| Alta. Pac. | 1 | | | .60 | .47 | .55 | 2957 | | | .81 | .30 |
| Black Dia. | . | | | | | | | | | .35 | .26 |
| Brit. Dom. | 1 | | | .45 | .45 | .45 | 1585 | | | .75 | .25 |
| Calmont Es. | . | | | | | | | | | 1.00 | 1.00 |
| Calmont | 1 | | | | | | | | | 2.10 | .85 |
| Cal. Pet. P. | . | | | | | | | | | 5.50 | 4.25 |
| Cherokee | . | | | | | | | | | .07 | .07 |
| Dalhousie | None | | | 2.90 | 2.55 | 2.80 | 9390 | | | 4.25 | 2.25 |
| Devenish | None | | | .60 | .42 | .55 | 10993 | | | .75 | .27 |
| Great West | 1 | | | .20 | .19 | .19 | 200 | | | .34 | .10 |
| Ill. Alta. | 1 | | | .60 | .56 | .58 | 5165 | | | .77½ | .45 |
| Madison | . | | | | | | | | | .20 | .14 |
| Mayland | . | | | 1.30 | 1.16 | 1.25 | 2200 | | | 1.47½ | 1.06 |
| McD. S. Ex. | 1 | | | 2.70 | 2.50 | 2.65 | 2080 | | | 3.00 | 1.40 |
| McD.S.(new) | 1 | | | 1.55 | 1.45 | 1.50 | 950 | | | 1.80 | 1.00 |
| McLeod | 1 | | | 5.10 | 4.50 | 4.60 | 6755 | | | 7.10 | 2.97 |
| Mid West | 1 | | | .35 | .30 | .32½ | 1917 | | | .50 | .26 |
| Mill City | 1 | | | .37½ | .37½ | .37½ | 150 | | | .55 | .27 |
| Moose M'tn | 1 | | | | | | | | | .30 | .25 |
| Okalta, c. | None | | | 45.00 | 40.00 | 45.00 | 11 | | | 47.00 | 20.00 |
| Okalta, p. | 100 | | | 96.00 | 90.00 | 95.00 | 1007 | | | 100.00 | 70.00 |
| Ranchmen's | 1 | | | | | | | | | .80 | .65 |
| Regent | | | | | | | | | | .25 | .25 |
| Royalite | None | | | 70.00 | 64.50 | 67.00 | 605 | | | 84.00 | 45.00 |
| Signal Hill | 1 | | | .16 | .14 | .16 | 6598 | | | .30 | .14 |
| Spooner | 1 | | | 1.65 | 1.55 | 1.60 | 3855 | | | 3.00 | 1.10 |
| Stockmen | 1 | | | | | | | | | .35 | .22 |
| Turner Valley | 1 | | | 1.75 | 1.55 | 1.72½ | 913 | | | 2.65 | 1.20 |
| United | 1 | | | | | | | | | [illegible] | [illegible] |
| Vulcan | 1 | | | 2.30 | 2.00 | 2.25 | 1340 | | | 3.03 | 2.15 |


KEYSTONE INDUSTRIES WB
MINING DIVISION

## Diversification

Due to the fact that the claims of the Canada Quebec Mining Corporation Limited are located in three different but proven districts, great soundness is given the enterprise through diversification. The ever present element of chance in proving a new mine is thus spread over three totally different areas and even should only one claim be proven, a handsome return may be expected. Our technical men, whose testimony had great bearing on our decision to purchase these claims confidently expect a much better average.

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# An Attractive Mining Speculation

GRANT MAHOOD outlines the opportunity presented by ALEXANDRIA GOLD MINES shares:

AFTER months of careful investigation, I am now prepared to offer through the Anglo-London Security Corporation, 1,000,000 shares of Alexandria Gold Mines Limited.

It is both unwise and unnecessary to make extravagant statements regarding Alexandria Gold Mines Limited, as its position appears sound as to policy, operation and financing.

Unfortunately, reckless speculation usually accompanies a sound scheme of development. The fact remains, however, that the accumulation of shares in a sound mining enterprise, carefully selected and thoroughly analyzed by men experienced in the financial and mining world, when the company is in its infancy, has in the past substantially rewarded the speculator.

Mining in Canada today offers—to the men or women who risk their funds in the shares of companies which are now developing new mines, the greatest opportunity for creating an estate that may bring independence in later life.

Alexandria Gold Mines Limited is a development, holding, exploration and operating company and—with its five outstanding properties situated, as they are, in three of the producing mining areas of Canada and which were chosen only after careful investigation of 60 odd blocks of ground by competent mining men, with the direction of the company under such men as General A. E. Ross, President, and Sydney Anglin, Treasurer—with Mr. Thomas S. Davey, M.E., as General Manager and Director—a man who has attained the highest possible position in his profession and with a past record on three continents seldom equalled—the obvious soundness of this company's policy should appeal to all who are interested and wish to participate in the development of our enormous mineral resources.

In my opinion, Alexandria Gold Mines Limited is an outstanding mining speculation with tremendous profit possibilities.

**The only people I want, to take advantage of this opportunity, are those who can afford to speculate, and so, if you like the thrill of playing in a big game—a man's game—a game where the element of Real Profits is ever present—where the rewards when won exceed your fondest expectations, then—to you—if you are the type of man who is willing to take a chance to reap rich rewards—the type of man who can smile when he wins—when he loses—I extend this invitation to you to join my friends and myself in this venture which I feel will be to our mutual benefit.**

Application for shares may be made direct to Anglo-London Security Corporation, 1603 Royal Bank Building, Toronto, or through your broker.

Public participation already points towards an over-subscription of this issue. If interested I advise you to make immediate application, as shares will be allotted in the order of their reception.

Sincerely yours,

*Grant Mahood*

Anglo-London Security Corporation have prepared a comprehensive survey on Alexandria Gold Mines Limited—over 40 pages—which will be mailed to you upon request.

# Summer Development Sets Manitoba Mines Humming With Activity

## Central Man. Mines Said to Have Solved Metallurgical Problems

## STRIKE STARTS RUSH

### Flin Flon Completes 50-ton Pilot Mill— To Operate Soon

The latest developments in the different Central Manitoba and Northern Manitoba mining areas are set out in the current Manitoba Mining News Letter issued by the Industrial Development Board of Manitoba. This bulletin indicates in a forcible manner the great amount of mining activity prevailing in Manitoba today. The bulletin follows:

**Central Manitoba District**
**Central Manitoba Mines**

The latest report from this mine claims that its metallurgical problems are now solved. For the first fifteen days of May, the value of the ore delivered to the mill was $11.45 per ton, the tailings containing less than 70 cents which showed a high percentage of recovery. During this period five tons of concentrate were treated which gave a return of $1,363. The advisability of installing a small flotation plant to recover the copper is under consideration.

Stoping has been done on the first and second levels and development work on the third. An electric hoist has been installed in the winze on the third level and drifting will soon be in progress on what will be the 575 foot level. An electric hoist and compressor has been installed on the Tene property at the east end, sinking from the 140 ft. level will commence in the near future. An electric hoist has been installed on the Roger claim and sinking will start in from about the 100 ft. level.

**Gabrielle Mines**

Diamond drilling is likely to commence on this property in the near future.

This company owns a solid block of 107 acres in the same belt in which the San Antonio are working at depth.

**Oro Grande**

The shaft is now down to the 300 ft. level. A station 15 ft. long has been cut out at the 259 ft. level, and 15 ft. taken out of the crosscut. As soon as the shaft reaches the 500 ft. level. drifting will commence at the 250, 375 and 500 ft. levels. Diamond drilling will later be undertaken to cut a vein which outcrops east of the present workings.

The Oro Grande holdings have been enlarged by the addition of the Victor No. 1 and No. 2 claims.

**Bear Lake Mines**

This company has recently been incorporated to develop a property situated 80 miles northeast of Winnipeg, and 17 miles from Bird River. The property includes 16 full claims and two fractions.

Stripping and trenching carried out during the last four years indicate several strong quartz veins with good free gold showings.

**Gold Lake Area of Manitoba Mines Ltd.**

This company, incorporated by Ontario interests, will develop a group of claims in the Rice Lake district. On the Pilot claims a shaft has been sunk to 50 feet. One vein has been traced for 580 ft.

**Clinton Mines**

The tunnel 38 ft. from the entrance of the shaft has struck the vein. The shaft is now down 25 ft.

**San Antonio**

The vein has been cut at the 600 ft. level showing a width of 6 ft. The No. 3 diamond drill hole 800 ft. west of No. 2 shaft at the 600 ft. level is reported to have intersected six feet of $15.40 ore.

**Selkirk Canadian Mines**

Good values of copper, gold, silver and zinc are reported as a result of the diamond drilling operations. The company's complete equipment has been moved to the west side in preparation for shaft sinking.

Navigation is now open to the Central Manitoba area. A bus service from Winnipeg to Riverton is planned.

**Northern Manitoba**
**Flin Flon**

It is expected that a decision as to the source of power for the Flin Flon mine will be reached within a month.

The 50 ton mill installed recently will likely again be operated in the near future. The effect of vegetation in the water during the summer months on the flotation process has still to be ascertained.

The Flin Flon mine do not anticipate doing any extensive work until the railway has been laid. Plans for the permanent mill are now being completed in the Winnipeg office.

**Manitoba Basin Mines**

Thirty men are at present employed trenching and over 500 ft. have been uncovered in tracing the lead.

**Callinan-Flin Flon**

The shaft is now down to 80 ft. The first level is to be established at 175 ft. and it is expected that a cross cut at 40 ft. will intersect ore. Fifty-five men are at present employed and two more drills have been ordered.

**Shorty Russick's Strike**

Shorty Russick, of dog racing fame, is reported to have made a strike 39 miles north of the Sherritt-Gordon property. It is said to be a somewhat similar find to the Sherritt-Gordon and a rush is reported to be in progress.

A silver-lead discovery has been reported on Setting Lake, about 7 miles from the railway and a rush is taking place from Wabowden, mile 137 on the Hudson Bay Railway.

As a result of the increased activity in the Northern area, a new town, Cranberry Portage, is springing into existence. It is situated on shores of Lake Athapapuskow, at the point where eventually the northern railway will branch off, one line running to the Flin Flon and the other northeast to Cold Lake.

Development in Northern Manitoba has been retarded, due to the late break-up. It is therefore impossible to give an account of the great activity which will be carried on in that area this summer.

**General**

The Geological Survey of Canada have announced the following program for the field season of 1928:

Dr. J. F. Wright will map geologically several hundred square miles of Cold (Kississing) Lake and make a detailed examination of the Sherritt-Gordon and adjacent properties.

W. A. Johnston will continue the work on the Pleistocene and recent deposits. S. R. Kirk will be associated with Mr. Johnston and will make a systematic survey of the Palaeozoic and Mesozoic formation of Southern Manitoba.

A Control Survey will be made by R. C. McDonald in the Rice Lake area.

## Placer Gold Strike is Made in Yukon

A placer gold strike has been made at Squaw Creek, Yukon, about three days mushing from Whitehorse, according to a despatch from C. L. Munro, gold commissioner at Atlin, to Hon. W. H. Sutherland, British Columbia Minister of Mines.

Mr. Munro stated that he had been advised the strike was made by Indians, who were taking from sixty to eighty dollars a day from the discovery claim, although using the most primitive methods.

Coarse gold was being discovered, and one nugget found was valued at thirty-two dollars.

## ARROD ACQUIRES MINING CLAIMS IN NEWFOUNDLAND

### Purchases Two Blocks of Copper Properties to Add to Quebec Holdings

Arrod Exploration Co., head office Montreal, has acquired extensive holdings in Newfoundland. These consist of 13,120 acres, comprising 41 claims of 320 acres each, adjoining the Buchan Mines property, and about six miles north of the Buchan Mine, also an option to purchase 320 acres at Bobs Head, Halls Bay, District of Twillingate. This property is on the east coast and over $6,000 has already been spent here on development work. A shaft has been sunk to a depth of 25 feet on a vein, which widened from 14 inches on the surface to 40 inches at the bottom of the pit. The seam has been traced by five test pits for a distance of half a mile.

Five tons of ore shipped from the property in 1918 gave $1 in silver and seven per cent. in copper to the ton. There are other veins on the property but they have not been worked as yet.

It is expected to develop this property at an early date. Shipments will be made to the smelter by water, as the property is on the sea coast.

Four assays made by the Milton Hersey Co. of Montreal in 1919 for copper returned values of 8.08 per cent., 12.12 per cent., and 16.34 per cent. respectively.

Arrod Exploration's Quebec property consists of 30 claims, some 1,200 acres about four miles northwest of the Abana Mines, and directly north of the Arno. The property is fully paid for, and assessment work is to be completed on it before next October.

As its name implies, Arrod Exploration is a holding and developing company. Its policy is to prove up properties and when a mine has been located to either sell to a mining company, or form a subsidiary to develop the property.

The Arrod Exploration Co. is incorporated under the Dominion Companies Act. It has an authorized capital of 500,000 shares, of which 250,000 shares remain in the treasury.

The officers are: President, A. L. Booth, Montreal; Vice-President, Albert Roby, Montreal; Managing Director, A. W. Haigh, Montreal; Secretary-Treasurer, T. A. Vipond, Montreal; additional directors: John Brady, Montreal; R. G. Finnie, Lachine.

### Consulting Power Engineer Joins Harley, Milner & Co.

K. H. Smith, B.A., M.E.I.C., has joined the firm of Harley, Milner & Co., investment bankers, 350 Bay Street, Toronto. Mr. Smith is a graduate of the University of Toronto in Arts and Applied Science. He was employed by the Dominion Water Power and Reclamation Service for more than fifteen years in all phases of power development and utilization. As chief engineer of the Nova Scotia Power Commission he was responsible for the conception, organization, construction and operation of an extensive generating, transmission and distribution system in Nova Scotia. He was also consulting engineer to the New Brunswick authorities in similar matters. As an official Canadian delegate, he attended the World Power Conference, London, England, 1924, and subsequently visited electricity works, hydraulic and electrical machinery manufacturing establishments and chemical plants in Norway and Sweden. For several years he has been employed by the Royal Securities Corporation as investigating engineer and in addition to a great variety of work in Canada in that capacity, undertook missions to South America and Mexico.

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## NOVA SCOTIAN MINE PROPERTY LOOKS VALUABLE

### Surface Work Shows Important Mineralization at Coxheath Copper

Surface work during the past two weeks on the Coxheath Copper property in Nova Scotia, now being operated by Arno Mines, and which Noah Timmins has taken legal action to acquire, has shown important and widespread mineralization, according to W. W. Beaton, the engineer in charge, who visited Ottawa this week. From No. 2 shaft where development was previously concentrated, the vein system has been traced for over a mile to the west and a cross vein system one-half mile to the south. Eleven known veins have been opened up by trenches from 4 to 16 feet wide. In each trench and test pit heavy mineralization, most of which was of commercial importance and in some cases high grade, was uncovered. At shaft No. 5 the ore body is 16 feet wide of excellent grade throughout and the full width not yet exposed. Some of the underground workings are known to carry ore over widths up to 35 feet.

**Complete New Camp Buildings**

New buildings have been erected as all of the old camps were destroyed many years ago. The bunk house, 22 ft. by 40 ft., cook camp, 20 ft. by 36 ft., and an office, 16 ft. by 20 ft. are all ready for occupation and are large enough to accommodate 40 men. The water system consists of a dam across a small stream 50 feet higher than the camp and connected to it by a pipe line which affords a continuous supply of excellent water for all purposes.

At present the county is fixing the road to the mine, re-surfacing it, and by next week, freight will be handled very cheaply to the shafts by motor truck.

**Estimate of Milling Profits**

An engineering report from Geo. Grant Francis, M.E., of London, England, made in 1890, stated that the average grade of ore was such that based on an initial output of 100 tons daily, an annual profit of over $200,000 could be expected. The actual figures presented by Mr. Francis to the owners were $218,562. On a basis of 600 tons daily, which the management later thought to be justified as the result of subsequent developments, these figures would be brought up to over $100,000 profits monthly.

With reference to the proposed 600-ton mill the following extract from a report made by Pierre Humbert, M.E., in 1895, will also be of interest:

"The plans for the underground development at the Coxheath Copper Mine as submitted by George Grant Francis and myself in 1891 designed to work up the ground in the triangle between Nos. 1, 2 and 3 shafts, with a proposed additional shaft, would remain practically the same in providing a daily output of 600 tons of ore per diem, as for the 200 tons then planned for. The extent of the output depends on the extent of drifting and the depth attained in sinking. . . . It is reasonably certain that the mine will produce 600 tons of ore per day in the near future. . . ."

### Dunkin Gold Mine Shaft Progresses

Excellent progress in the sinking of the main shaft to the 125 foot level on the Dunkin Gold Mines property, in the Woman Lake Gold area, is reported by Colin A. Campbell, mining engineer in charge of operations. When this objective is reached a cross-cut will be made to intercept the main vein system.

The property has been equipped with a complete new mining plant sufficient to sink to 1,000 feet, and head frame and all necessary buildings are now completed.

Dunkin Gold Mines own about 520 acres in one block and have had excellent surface showings of gold, native copper and galena. Directors and officers of the company include: President, R. Home Smith; vice-pres., G. Honor Black; J. K. L. Starr and James A. Dunn.

## CARIBOU COPPER CUTS HIGH-GRADE

### Drills Get $13 to $25 Values Over Wide Widths

From all indications the Caribou Copper Corporation's property is rapidly developing into a situation which looks as though it might be a mine. The fourth drill hole, which is now being sunk along the strike of ore, was still in commercial ore at the time of writing. Assays from the third hole, taken from five different sections, ran $13.78, $20.75, $23.40, $8.29 and $16.48. These sections were taken at different depths running from 42 feet to 230 feet, the second hole gave commercial ore averaging $25. over a width of 15 feet and the first hole gave an average value of $17.50 over a ten-foot width. These holes are being sunk at an angle of 45 degrees so as to cut the body of ore that is indicated on the surface. The surface showing of ore has been trenched for 120 feet long in a shearing over 650 feet long, and the Caribou has 5,000 feet on the strike of the ore.

Another surface discovery recently investigated showed three good widths of ore running $17.12, $22.98 and $21.21. A short narrow gauge road will be laid immediately to facilitate the bringing in of supplies. The wonderful showing on Caribou has caused a concerted rush of stakers into the Bourlamaque section and the ground is literally staked solid for miles around.

The Caribou Company, which is reported by the company as financed, is contemplating carrying on underground development shortly, as the results from the various drill holes, which all show commercial ore warrants shaft sinking and drifting.

### States Conditions Good At Georgia River Gold

Wellington Beaton, president of the Georgia River Gold Mines Ltd., who returned recently from the company's property in the Portland Canal, stated that the general trend in the country is very promising and that there is every assurance that the mine activity this year will exceed anything in the past history of British Columbia.

"Conditions in the country," stated Mr. Beaton, "never looked so promising nor has there ever been such an amount of extended activity in the district as there is this year. As the snow recedes various properties are opening up and by the first of next month development at all the different groups of mining claims will be in full swing."

Speaking of the Georgia River district, Mr. Beaton states that he made an inspection of conditions and found the valley clear of snow for a distance of 6 miles from the mouth of the river. A crew of men has started to improve the trail in order to permit transportation of equipment and supplies to the Georgia River mine, and it is anticipated that active development work at the property will be under way by the first week in July.

After mining commences it is the intention of the company to widen the trail to permit the passage of caterpillar tractors and trailers, and Mr. Beaton believes that such a trail can be kept open all through the winter.

Development of this property is being watched with great interest as exceptionally good reports have been given out at various times and some of the finest samples of gold ore in the Portland Canal district have been obtained from this mine.

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### Coxheath Copper Mine Subject of Litigation

The second round in the big legal battle over the Coxheath Copper Mine in Cape Breton between Noah A. Timmins, president of Hollinger Cons. Mines, Ltd., A. P. Earle, Arno Mines, Ltd., and the Armada Syndicate, was fired in Ottawa when the litigants appeared before Mr. Magee, master in the Supreme Court of Ontario, to give evidence in connection with affidavits filed.

The first witness called was Mr. Timmins, who was examined on his sworn affidavit in which he states "if the Armada Syndicate should sell, assign, or transfer the said option to Arno Mines, Limited, or to any other person, firm or corporation, for it or otherwise, or should so sell, assign or transfer any interest in the said option other than to myself I will suffer great and irreparable loss and damage."

Mr. Timmins stated that his engineers had gone over various engineering reports and other data covering the Coxheath mine and that as a result of this checking up he desired to acquire the property. Mr. Timmins claims prior right to acquire and finance the Coxheath by right of prior option which he claims was given verbally to him by the syndicate's representative.

Arthur P. Earle, president of the Montreal Life Insurance Co., Ltd., who is a joint plaintiff with Mr. Timmins, next witness, stated that the options in dispute covered an extremely valuable copper and gold mining area embracing an area approximately 3,000 acres and at the present time from his knowledge of the mining industry in Canada he was convinced that it would be impossible to secure an area of similar possibilities in Canada at this time. Mr. Earle claimed he was entitled to a commission in event of Mr. Timmins securing control of the Coxheath mine and supported Mr. Timmins' claim to prior or exclusive option.

F. A. Sproule, manager for Armada Syndicate, was called and stated he never had granted an exclusive option to Timmins or Earle or anyone else and that he felt free at all times to deal with offers received or considered, and to accept or reject them as he and his syndicate deemed fit.

Charles McD. Logan, president of Arno Mines, gave evidence covering the acceptance of the Coxheath option by the directors of that company. The hearing will be resumed on Saturday, June 23.

The Timmins-Arno case has attracted widespread attention owing to the value of the properties as indicated by engineering reports and the statements of Mr. Timmins and Mr. Earle.

There are over one thousand shareholders in the Ottawa Valley alone.

### CANADA'S MINES SURPASS BANKS

The acid test of any line of enterprise is dividends. The Canadian gold mines, in the pre-Cambrian shield, although just started in mill production, have paid $70,000,000 in dividends; silver mines, $100,000,000 in dividends; nickel-copper mines, $100,000,000 in dividends. Four of Canada's leading mines are paying more dividends at their present rate than all the chartered banks in Canada together. These are International Nickel, Mond Nickel, Lake Shore and Hollinger. Last year Canada produced $241,000,000 of mineral products and processed them into a billion dollars of articles.

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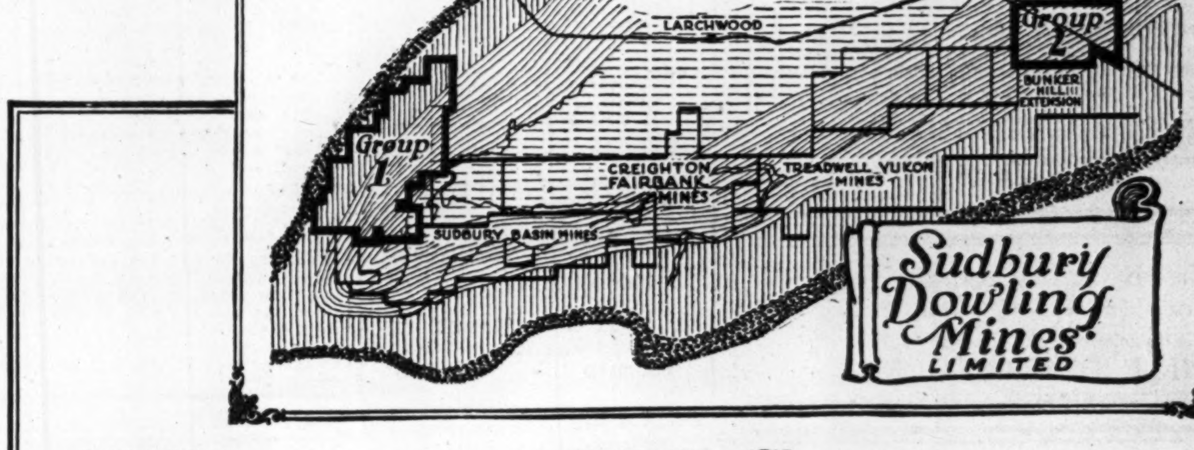


*Initial Offering*

*750,000 Shares*

*Sudbury Dowling Mines Limited*
*(No Personal Liability)*

Incorporated under Part XI of the Ontario Companies Act. A copy of the Prospectus of Sudbury Dowling Mines Limited (No Personal Liability) has been filed at the office of the Provincial Secretary of Ontario.

*Capitalization*

*Authorized*—$5,000,000 divided into 5,000,000 common shares of $1 par value.
Issuable for properties in accordance with the terms of existing agreements: .......... 1,600,000 shares
Treasury offering (this issue).......... 750,000 shares
to net the treasury $525,000

Of the shares issuable for properties 1,412,500 are subject to pooling agreements deposited with the Trusts and Guarantee Company Ltd.

*Officers and Directors*

President— A. E. Beck, Esq., Mining Investments.

Arthur D. Miles, Esq., Mining Engineer. *President, Central Manitoba Mines Ltd. Director, The International Nickel Co. of Canada Ltd. Director, Anglo-Canadian Explorers (1927) Limited.*

Vice-President— Brig.-Gen. John A. Gunn, C.M.G., D.S.O.

Robert A. Bryce, Esq., Mining Engineer. *President, Continental Kirkland Mines Ltd. Managing Director, Macassa Mines Ltd.*

R. R. Carr-Harris, Esq., *President and Managing Director, Canada Colors & Chemicals Limited.*

C. St. Clair Parsons, Esq., Mining Engineer, Managing Director.

E. H. Watt, Esq. Messrs. Watt & Watt, Brokers, Toronto

*Registrar and Transfer Agents:* Trusts & Guarantee Company Limited, 302 Bay St., Toronto. *Bankers:* Canadian Bank of Commerce, Toronto. *Secretary-Treasurer:* A. A. Bolte, Esq. *Solicitors:* Messrs. Bain, Bicknell, White & Bristol, Lumsden Bldg., Toronto. *Auditors:* Messrs. Saunders, Cameron & Co., 330 Bay St., Toronto.

DESCRIPTION OF PROPERTIES

The Properties, under option to Sudbury Dowling Mines Ltd., comprise two well-located groups of mining properties in the Sudbury basin, where active mining operations are being carried on by a number of companies including Treadwell-Yukon Co. (Errington Mine), Sudbury Basin Mines, Limited, and Creighton-Fairbank Mines Ltd. Large deposits of zinc, lead and copper ore have been discovered during the past two years and there is every reason to believe that the field is about to become an important producer of base metals.

*No. 1 Group.*

The Western or No. 1 group of properties consists of 63 mining claims in a single block, situated in the Townships of Dowling, Fairbank, Trill and Cascaden. This group borders upon the west and northwest shores of Vermilion Lake and has an area of approximately 2,100 acres.

*No. 2 Group.*

The Eastern or No. 2 group is situated in the Township of Rayside, adjoining a number of exploratory operations including Bunker Hill Extension and other well known active properties. This group has an area of approximately 1,100 acres.

GEOLOGY

The locations of the two groups of properties are shown on the above map, which has been compiled from the most reliable available geological information.

No. 1 group extends over the Slate-Tuff Contact. It is in the Onwatin Slates that the ore-bodies have been discovered which are now being developed and further explored at the Errington Mine and Sudbury Basin Mines. The experience of the district appears to indicate that the ore-bodies attain their maximum development near the outer rim of the slate formation, i.e., in the vicinity of the Onwatin Slate and Onaping Tuff Contact. This property, therefore, is situated in a favourable geological zone and in addition to the presence of the slates there is evidence of big fault structure which in our present knowledge of ore deposition in the district, appears to have some definite relationship with concentrations of commercial mineral.

No. 2 group is largely in the slate formation and along the contact of the slates and tuffs as has been established by drilling operations at neighbouring properties. Nine drills are actively at work on adjoining and nearby properties and reports of the discovery of favourable structure and good mineralization have been received in recent weeks.

DEVELOPMENT PROGRAMME

Three diamond drills have now commenced operations on No. 1 group. The sites of the present drill holes were selected by a highly competent mining engineer.

It is the intention of Sudbury Dowling Mines Limited to continue and enlarge upon the present drilling campaign and to explore the property intensively.

Drilling will probably be commenced on the No. 2 group at an early date.

The agreements under which Sudbury Dowling Mines Ltd. assumes control of the two large mining properties referred to, are considered entirely satisfactory by the Board of Directors. The options assigned to the Company are such that the proposed programme of exploration may be entered upon without assuming embarrassing financial obligations, in respect of property purchases.

On completion of the present financing, the Company will be in an exceptionally strong treasury position as to cash and shares. It is a reasonable assumption that the Company, with its Board of mining and business men, will enter other promising mining fields as opportunity offers.

*The shares of Sudbury Dowling Mines Limited are recommended as a speculation to those who wish to be identified with a Canadian mining enterprise directed by men of wide executive and engineering experience and based upon properties having the requisite geological foundation in a field of remarkable potentialities. Canada's future as a producer of mineral wealth is now well assured.*

*Application will be made in due course to list these shares on the Standard Stock and Mining Exchange*

*Price of this issue: 80c per share*

A descriptive circular and full information will be forwarded on request.

*(Shares may be ordered from A. E. Beck & Company Ltd., or through your regular brokers)*

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The statements contained in the foregoing are not guaranteed but are based upon information which we believe to be reliable.

A. E. Beck & Company, Limited.
Reford Building, Toronto.
Dear Sirs:—Please forward complete information re Sudbury Dowling Mines Limited.